FINANCIAL TIMES

No. 25,512 Friday July 23 1971 ** 6p

News Summary

VC10 DRAMA AS . . .

Counter-coup shakes Sudan

A counter-revolution in the Sudan last night added a new dimension to Britain's confrontation with Libya over the forcing down yesterday of a BOAC VC-10 carrying two leaders of Monday's Khartoum coup.

Gen. Jafaar el Nimairi, who had been ousted by Leftist army elements, had been restored as head of state, said Radio Omdurman last night.

If Nimairi has secured his position, writes *Richard Johns*, he is certain to want the extradition from Libya of the two men taken off the VC 10: Col. Babakir el Nour, named on Tuesday as the new Revolutionary Command Council chairman, and Maj. Farouq Hamadallah, a Council member.

Arms hint

In the Commons, both sides called for strong action against Libya for its act of "international piracy" in making the VC-10 land at Benghazi. Mr. Joseph Godber, Minister of State at the Foreign Office, said Britain took "a most serious view" of the action, which was "in complete violation of international civil aviation practice."

Referring to a Libyan arms buying mission currently in London, Mr. Godber said "many of us think it would be quite wrong to sell any arms at this moment to a Government which behaves in such an irresponsible fashion."

Later, Libya denied the aircraft had been forced to land. Back Page; Page 8

The forcing down of the aircraft is considered certain to expedite the proposed world treaty against unlawful interference with civil aviation. Page 12

Iraqui aircraft carrying a high-level delegation to Khartoum to congratulate the military Leftists on their coup, crashed in Saudi Arabia, killing several prominent officials.

REST OF THE NEWS

Poison ship recalled

The Dutch Akzo chemical firm recalled its tanker Stella Maris, which was to have dumped 600 tons of poisonous waste 700 miles west of Ireland, after strong protests by Britain and Ireland. The latter had said a minesweeper would intercept the Dutch ship if she tried to enter Irish waters.

Akzo made the move after Dutch Government intervention. It said the waste would be placed in storage tanks.

Guillotine no. 3

Government will have to use a "guillotine" for the third time on the unions Bill in order to ensure it gets Royal Assent before the summer recess, writes Richard Evans. Five days are to be allocated to debating Lords amendments—all 340 of them. Page 8

It is cholera

Spain officially admitted that seven people in the country's Saragossa area had cholera, but said the situation was under control. Spain's Embassy in London said Britons travelling to the area would have to be innoculated. Page 7

Briefly . . .

Typhoon Lacy slammed into Hong Kong with 110 mph winds, leaving 31 injured. After it faded, typhoon Nadine was reported building up.

Five people died, 26 were hurt, when a train jumped the rails inside the Simplon tunnel, Switzerland, and was battered back and forth between the tunnel walls.

Cricket: Knott, 67, and Snow 51 not out, pulled England round to 252—S after five wickets had fallen for 71. Page 12

City of London police were keeping a 24-hour watch on Spanish banks in the City following a threat to attack them believed to have come from the Angry Brigade.

BUSINESS

Gold jumps to 2-year high

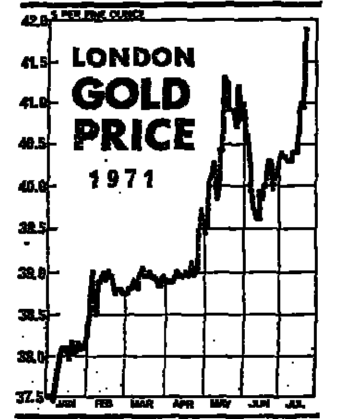
● GOLD jumped 60c to $41.90, highest for two years.

● LONDON EQUITIES' rally lost impetus near the close. The index, after 407.4, closed a net 1.3 up at 405.7. An index share, Tate and Lyle, ended 3p off at 153p after 147p, on the profit forecast. Gilts were steadier.

● THE £ lost $\frac{1}{32}$c at \$2.41$\frac{22}{32}$ on technical factors. Forward £s weakened.

● WALL STREET'S index ended 4.16 lower at 886.68. The remaining five Federal Reserve Banks raised their discount rates from 4¾ to 5 per cent.

● LONDON GOLD PRICE yesterday jumped 60c to $41.90, its highest for two years, on strong speculative demand. In the past week the price has risen $1.40. Background to the activity in gold was the weakness of the U.S. dollar in foreign exchange markets, affected by suggestions that the U.S. balance of payments is worsening and by rumours that France might ask to change dollars for gold.



● THE D-MARK yesterday touched its strongest of the floating-period in terms of the dollar at DM3.460. The Bundesbank refused to sell at that level and the market rate closed at DM3.4665. Dealers expected further Bundesbank sales of dollars to follow the statement by its president, Dr. Klasen, that he would like to sell DM10,000m. worth more. Page 18

● VAUXHALL MOTORS' vehicle output in 1971's first half rose 25 per cent. to 182,840, due to improved labour relations. Profit is a pre-tax £8.29m. against a £1.09m. loss in the 1970 half. Commercial vehicle sales were a record 71,210 despite the downturn in the home market. Back Page

● PAN AMERICAN World Airways had a $15.59m. loss for the second quarter, which covers the start of the Atlantic routes holiday traffic, against $1.09m. profit in the 1970 period.

Luftansa chairman Dr. Culmann, forecasting a possible loss this year, blames U.S. policy for an "unbearable" North Atlantic fares situation. Page 22

Thorn earns & pays more

● THORN ELECTRICAL Industries pre-tax profit for the year to end-March is £6m. up at £37.2m. Final of 15 per cent. lifts the dividend total to 24 (21½). Page 21; Lex

Tate and Lyle estimates the year's pre-tax profit to end-September next at £11.1m. (£9.2m.) after a £2.1m. trading loss in Argentina. Page 22; Lex

● SMITH'S DOCK, of the Swan Hunter Group, has won a £10m. contract to build two 12,000-tons cellular containers for Manchester Liners of Furness Withy. Page 19

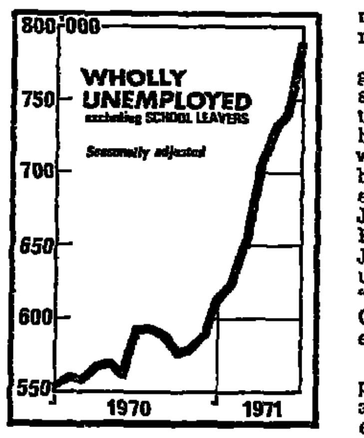
● FORGED SHARE certificates coming from eastern markets have been reported by three tin companies. The Stock Exchange, the Fraud Squad and, in one case, Interpol, have been told. Back Page

Unemployment at highest July total for 31 years

BY WILLIAM KEEGAN, ECONOMICS CORRESPONDENT

THE GOVERNMENT'S latest reflationary measures have been introduced against the background of a sharply deteriorating employment situation. Between June and July the number of people out of work in Great Britain went up by 62,000 to 786,000, or 3.4 per cent. of the labour force—the highest July figure for 31 years. When Northern Ireland is included the U.K. unemployment figure this month amounts to 829,000.

These figures include unemployed school-leavers and temporarily stopped workers. But the total of wholly unemployed (excluding school-leavers) has also risen sharply, by 46,000 to 728,000.



Freakish figures

A little over half of this increase is freakish, in that it represents the registration at employment exchanges of students seeking work during their summer vacations. Because of the harsh economic situation, many more students than usual are believed to have registered themselves for jobs this summer: in more normal years they bypass the exchanges.

This development has also accentuated the rise in the seasonally-adjusted figures this month. These—which have gone up by 48,000—have reached 788,000, or 3.4 per cent. of the labour force—the highest level for any month since the war.

Such special factors cannot disguise the trend, which is more strongly upwards than in May and June, when there were signs that the rate of increase was slowing down.

Signs of a deterioration are also evident in the figures for unfilled vacancies advertised by employers, which have dropped by nearly 11,000 this month, after small increases in the previous two months.

The seasonally adjusted vacancies figures have fallen by about 35,000 in the six months since January and unemployment has risen by 175,000. The average monthly increase in unemployment in the last three months has been 28,000—almost the same as the average for the last six months.

Mr. Anthony Barber, the Chancellor, had a preliminary estimate of the figures available to him at the end of last week, and this was a key element determining the size of Monday's reflationary package.

Yesterday Mr. Vic Feather, general secretary of the TUC, said: "It must by now be clear to everybody that there would have been over a million out of work during the winter if nothing had been done to stimulate the economy." In the Commons Mr. James Callaghan, "shadow" Home Secretary, described the July figures as "disastrous" and urged the Prime Minister to "give less attention to the Common Market and more to unemployment."

In fact, Monday's reflationary package was designed both to arrest the deterioration in employment and industrial investment and to improve the economic climate in advance of the Common Market vote.

However, even though measures such as hire-purchase relaxations should in theory act quickly, it is recognised in Whitehall and in Westminster that it will be several months before the package has an appreciable effect on the unemployment trend.

Moreover, some sections of Whitehall were so shaken by the failure of the Budget to revive confidence—and hence investment and employment in the economy—that they do not regard it as a foregone conclusion that Monday's measures will do the trick—in spite of the widespread criticism that the measures are likely to do too much.

Editorial Comment, page 18
Parliament, page 8

ICI Fibres is making 1,450 redundant

BY JOHN TRAFFORD

A TOTAL of 1,450 employees in ICI Fibres is to be made redundant in a rationalisation scheme of great severity announced by the company yesterday. World over-production of nylon and spiralling production costs are blamed.

The redundancies will reduce the numbers employed by ICI Fibres by about 8 per cent. on the present total of 18,000. Doncaster will be the hardest hit, with 600 fewer manual and 140 fewer white-collar jobs; at Pontypool, South Wales, 250 weekly staff and 285 monthly staff will be affected. The remaining redundancies will be at the company's Harrogate headquarters (100), Knightsbridge and the factory at Gloucester and will apply only to white-collared workers.

The first of those affected will leave in September and the last around March next year. The reductions mean that ICI Fibres is shedding 12 per cent. of its monthly staff but only 7 per cent. of its manual workers.

The company stresses that some of the staff reductions, perhaps as much as a quarter of the total, will result from early retirements and natural wastage. It is being said that Mr. Barber's reflationary measures may have some effect on increasing the rate of staff turnover at the company's factories, at present at an all-time low.

Continuing world over-capacity in nylon filament yarns has led to intense competition and lower selling prices, the company explains. This, combined with an unprecedented rate of escalation in labour and other manufacturing costs, has had a "very adverse effect" on trading results and has obliged ICI Fibres to cut its workforce.

Disappointing

Short-time working was introduced at Pontypool and Doncaster earlier this year in the hope that there would be an upturn in trade. This has not materialised.

Commenting on the move last night, Mr. W. K. Gardener, ICI Fibres' deputy chairman, said most of the price increases for nylon fibres announced last January had stuck. "But," he added, "increases in the area of textured filament yarns have not been fully realised, and the volume of sales has been disappointing."

The main cause of this has been poor demand from the hosiery trade, where production of tights is still well below the levels attained when the mini-skirt went unchallenged in women's fashion.

As part of the new measures ICI Fibres is rationalising production at its three nylon factories to obtain increased efficiency.

Manufacture of carpet yarns, industrial yarns and textile staple fibre will be concentrated at Doncaster. Output of nylon textile yarns will be centred at the Pontypool and Gloucester plants.

Only once before has there been sackings on the scale now contemplated. That was in 1966, when 1,000 manual workers and nearly 700 monthly staff working for ICI Fibres lost their jobs.

450 more BSC workers may lose jobs in reorganisation
Page 12

Dockers' pay claim rejected

BY ALEX HENDRY, LABOUR REPORTER

A PAY CLAIM for 10,500 London dockers that would have added an estimated 30 per cent. to the £20m. wages bill was rejected yesterday by the employers.

They told dock union leaders that the 15-point claim would push up costs, which "in the present economic climate reflects a lack of appreciation of the current situation amounting to irresponsibility."

And, coupled with the rejection, the employers urged the unions to co-operate with them on a policy of substantially decreasing the number of light duty men—an estimated 8 per cent., or more than 800, of the total labour force.

The employers said that the light duty men were costing the industry about £1.3m. in wages every year, and that was "too high a proportion and too intolerable a burden to be sustained." The light duty men are medically unfit and carry out a number of menial jobs, such as sweeping and repairing broken cargo cases.

A delegate conference of the two unions involved in the claim will meet in London today, and will discuss the employers' rejection. They will also discuss the pay negotiations that are going on for two other groups of dockers—those employed by the Fred Olsen Line and 4,000 riverside men.

Uncompetitive

Those negotiations have produced offers of pay increases—both rejected by the unions, but which nevertheless increase the pressure on the enclosed docks employers to move away from their decision yesterday to reject the claim lodged with them.

Mr. Joe Payne, chairman of the London Ocean Trades Employers' Association, said yesterday: "We are now in the position of being uncompetitive with other ports in the country."

He added: "We need to do two things. We need to divest ourselves of men who are unable to contribute to productivity, and we need to hold charges which, in our opinion, will get us back into a competitive position."

The employers produced figures to show that there has been an overall 6 per cent. drop in trade in the port, about 25 per cent. in conventional general cargo, and productivity, on the tonnage handled by one man in one hour, is down by about 30 per cent., compared with the period immediately before the existing agreement was introduced last September.

Mr. Payne said that productivity was now improving, and he pointed out that the deal last September—which ended piece-work, and gave the men £36.50 or £39 for a 31½-hour week—had produced industrial peace. He added: "From a labour relations point of view, it has been a very good thing indeed."

Both he and Mr. Walter Lewis, chairman of the London docks employers' association, will report on the negotiations to officials of the Department of Employment to-day. Mr. Payne said yesterday that he was not expecting any strike action by the unions.

Leyland pledge to curb prices

BY JAMES ENSOR

BRITISH LEYLAND has become the first car manufacturer to decide to sign the CBI pledge on price restraint. After a year in which car prices increased by 9 or 10 per cent., this is a significant and courageous move.

The Corporation's profitability has been so low in the past year that tying itself to a maximum price increase must have required considerable thought, particularly since Lord Stokes has set his face against using the let-out clauses.

The decision is, of course, dependent on the price assurance of its major supplier, the British Steel Corporation, without whose involvement in the CBI declaration Leyland's move would have been impossible.

It is likely that most of the larger component suppliers such as Lucas, Dunlop, GKN, Automotive Products and Associated Engineering will also sign the CBI declaration in time. Leyland's move is clearly calculated to encourage them to do so.

Difficulty

A major difficulty in Leyland's position is that it cannot slow down its programme of reforming the pay structure at its major plants. Inevitably this means that it will have to concede large rises at certain plants if the men agree to changes.

It is felt that this advantage is outweighed by the advantages in improved labour relations which should result from the Corporation's efforts to hold down prices.

It is hoped that the boost in demand given by the Chancellor will help to encourage a stable level of production and better worker relations, thus eliminating a major source of losses in the past.

The company has now established a sensible pricing strategy which is adjusted to profit rather than cost considerations, so that the major price increases—such as those on the Jaguar XJ6—will no longer be necessary.

Price-setter

Since Leyland accounts for 40 per cent. of the U.K. market and tends to be the price-setter in many segments, its actions will bring Ford, Vauxhall and Chrysler under some pressure to control price rises, even if they do not directly sign the CBI pledge.

Import prices have in the past risen more slowly than those of British cars anyway, and few importers are likely to exceed the 5 per cent. level, if the British makes do not.

CBI's hopes Back Page

Fitters reject interim pay offer

By Our Own Correspondent

SUNDERLAND, July 22.

ABOUT 300 fitters at the marine engine works of Doxford and Sunderland to-day rejected an interim pay offer from the company and decided to stay off work. The men have not been at work for 11 days since the management locked them out for refusing to call off a work-to-rule in support of a backdated pay claim.

After the meeting Mr. Henry Wilkinson, district secretary of the AEF, said there would be no further meeting of the men until after the two-week annual holiday which starts to-morrow, although it was possible that union negotiators would meet the company in a bid to reach a settlement.

ON OTHER PAGES

VICTORIA LINE

To-day's issue contains three pages (13-15) on Victoria Line.

Jenkins joins bid to halt Labour row

BY JOHN BOURNE, LOBBY EDITOR

MR. ROY JENKINS yesterday joined Mr. Harold Wilson in his efforts to quieten the bitter personal squabbling in the Labour Party over the Common Market.

He did so in an impressive speech in the Commons. Although sticking firmly to his personal conviction that Britain must accept the Government's terms for entering the EEC, he said: "Parliament would more impress the public, Europe and the world if we talk more about the issues and less about each other. They should respect each other's sincerity."

Parliamentary report Page 8;
Wilson stumbles into danger
Page 19

Labour backbenchers believe that Mr Jenkins and Mr. Wilson have reached an understanding—following the disastrous events in the party a few days ago—that senior Labour politicians should try to keep personalities out of their public pronouncements in the "great debate."

Whether this pact will survive remains to be seen, but in the Commons yesterday Labour MPs were on their best behaviour. Although disagreeing with nearly every word which Mr. Jenkins said about the advantages of Britain joining the EEC, the Labour anti-Marketeers kept silent. And Mr. Jenkins' supporters, who so enraged the Left-Wing by thundering their applause to his speech at Monday's party meeting, tactfully refrained from voic[...] their enthusiasm for yesterda[...] speech.

Mr. Wilson also made furt[...] moves to reassure the Jenki[...] supporters, a small but un-na[...] minority of whom he had [...]nounced on Tuesday for th[...] "manoeuvrings" and for say[...] abusive things about him [...] the Tory Press."

Shortly before Mr. Jen[...] spoke in the Commons, Mr. [...]son had a half-hour meeting w[...] six of the junior Front Be[...] spokesmen who fully support [...] Jenkins' stand on the Com[...] Market—Mr Dick Taverne, [...] Dickson Mabon, Mr. D[...] Howell, Mr. Bill Rodgers, [...] Roy Hattersley and Dr. Da[...] Owen. They had asked to [...] him because of their anxie[...] about the implications of [...] Tuesday speech. Also at [...] meeting were Mr Bob Mell[...] the Labour Chief Whip, and [...] Douglas Houghton, chairman [...] the Parliamentary Labour Pa[...]

Afterwards the six [...] Marketeers let it be known [...] they were well satisfied. "[...] past few days are now behi[...] us," said one of them. "[...] Wilson assured us that there [...] no question of any 'shad[...] spokesman in the party hav[...] to resign because he argued [...] case in public for accepting [...] Government's entry terms [...] explained that his vehemence [...] Tuesday was directed tow[...] those unidentified MPs who [...] made abusive remarks to p[...] men about an advance tex[...] his speech to Saturday's p[...]

Continued on Back Page

Wilson apologises for Rippon attack

BY PHILIP RAWSTORNE

MR. HAROLD WILSON yesterday apologised for an attack on Mr. Geoffrey Rippon, the Government's Common Market negotiator, during the Commons debate on Wednesday night.

The leader of the Opposition had accused Mr. Rippon of quoting without permission from a letter from Lord Campbell of Eskan, chairman of the Commonwealth Sugar Exporters, which welcomed the terms negotiated for the sugar-producing countries.

Mr. Wilson said that he had had a phone call from Lord Campbell's office saying: "If Rippon quotes that letter I wrote to him the day after, he is not entitled to do it because Rippon knows the real facts."

Mr. Rippon repudiated the charge. And, intervening in the debate yesterday, Mr. Wilson said: "The words I used [...] based on my understanding, correct as I now understand. [...] message received in my [...] from Lord Campbell.

"He had felt it right to [...]form me that he had given [...]mission to Mr Rippon to quo[...] passage from a letter he [...] written."

Mr Wilson said: "The mes[...] as it reached me gave m[...] different impression which [...] accurately summarised in [...] intervention. While those [...]cerned with reporting [...] message to me acted in [...] faith. I take full responsib[...] for all that occurred and I [...] leave to withdraw the wor[...] used."

Mr. Rippon said that [...] Wilson had made "a fe[...] allegation" against him. "[...] grateful for what I take [...] handsome apology."

CHIEF PRICE CHANGES

(Prices in pence unless otherwise indicated)

RISES

BSR	375	+ 22
Booker McConnell	102	+ 6
Bowring (C. T.)	462	+ 14
Brit. Comm. Shppg.	205	+ 7
British Lion	68	+ 7
Cavenham Foods	97	+ 5
Courtaulds	125	+ 6
Fluidrive	277½	+ 60
Fisons	296	+ 8
Gerrard Natl. Dscnt.	880	+ 35
House of Fraser	214	+ 6
Lucas (J.)	259	+ 9
Marchwiel	249	+ 6
Miles Redfern	101	+ 11
Minet Holdings	365	+ 20
Smith (W. H.) "A"	520	+ 15
Tomkinson	90	+ 11
Trust Houses Forte	128	+ 11
Trutex	104	+ 7
Unilever	321	+ 8
Vaux and Assocd.	360	+ 13
York Trailer	129	+ 11
Woodside Oil	53	+ 9
Alliance Oil	18	+ 7½
Anglo American	358	+ 9
Bougainville	102	+ 4
Cons. Gold Fields	239	+ 10
East Drie.	177	+ 7
Rio Tinto-Zinc	244	+ 7

FALLS

Avon Rubber	341	− 13
Barclays Bank	576	− 14
Brit.-Amer. Tobacco	369	− 11
Granada "A"	390	− 8
Metal Box	385	− 15
Midland Bank	516	− 14
Spear & Jackson	150	− 15
Jorehaut	70	− 7
Longbourne	184	− 10
Botswana RST	370	− 20
Tara Exploration	785	− 30

U.K. DAILY STOCK INDICES

FINANCIAL TIMES

	July22	July 21	Yr.ago
Govt. Secs.	74.99	74.97	69.50
Fixed interest	74.52	74.54	71.16
Industrial Ord.	405.7	404.4	337.5
Gold Mines	53.9	53.2	50.0
Ord. div. yield	3.80	3.81	4.96
Earnings yield	5.90	5.88	6.78
P/E ratio	16.95	17.01	14.74
Dealings marked	13,653	14,022	7,505

Industrial Ord. (noon) 407.4.
For latest Share Index phone (01)-246 8026

F.T.-ACTUARIES

	July22	July 21	Yr.ago
Industrial Group	167.47	165.76	—
500 Share	183.34	181.67	131.87
Div. yield pc	3.61	3.64	4.89
P/E ratio	17.89	17.73	13.56
All Share	179.73	178.58	125.82
Consols yield pc	9.13	9.13	9.26

ANNUAL STATEMENTS

Caffyns	23
Exchange Telegraph (Holdings)	20
Falkland Islands Co.	18
E. E. Jeavons	23
M. K. Electric Holdings	17
Sealed Motor Construction	9
United Gas Industries	11
Yorkshire Dyeware and Chemical	19

INTERIM STATEMENTS

Mears Bros. (Holdings)	22
Tate and Lyle	21

THE £ ABROAD

—	Close July 22	Close Previous
New York (Spot)	$2.4190-4192	$2.4192-4195
Do. (1 month)	0.19-0.16 dis	0.14-0.11 dis
Do. (3 months)	0.54-0.61 dis	0.40-0.37 dis
Do. (12 months)	2.66-2.76 dis	2.16-2.10 dis

Letters to the Editor

BRACKEN HOUSE, CANNON STREET, LONDON, EC4

Mr. Barber's concessions · Plastics · Venture analysis

Sir,—Mr. Barber's tax concessions are acclaimed by the CBI and the TUC and doubtless by the unemployed. But a total of £1,400m. has been injected into the economy within a period of nine months during which the rate of inflation has almost touched 10 per cent. What sort of stability can be produced in this way, even though there are arguments that an injection of a further £1,000m. would be needed to provide for capital investment by industry and the additional purchasing power to absorb the production of present surplus capacity *plus* the potential extra production which this re-equipment would produce? If the promise of the CBI to restrict prices is implemented, how are companies, faced with certain rising costs now in the pipeline, to earn the gross margins necessary to re-equip on the scale needed to absorb this vast extra spending power?

Methods of control

New methods of control are essential and have been proposed. For example the "Income Tax Rebate Scheme Linked to Company Performance" given in the Economic Research Council's Occasional Paper No. 25 is aimed to solve these problems. Under this scheme a tax rebate of one-third of the income-tax paid on emoluments received from a company would be repaid as cash refund to the management, shareholders and employees of companies whose audited accounts satisfied certain conditions. The main conditions are that total distributed emoluments (profits plus wages) should not be a higher percentage of turnover than the previous year, and that turnover per man should be no less than the previous year, after allowing for increased costs. There are also upper limits placed on selling and advertising, on capital investment and on money put to reserve. The cost of the rebate would be £1,400 million—the exact amount of concessions granted by this Government.

The effect of this scheme must be compelling on managements to pay high taxes, and it must make them extremely resistant to excessive wage claims. Moreover, because the tax rebate is also granted to the shareholders and employees, it must reduce the pressure on managements to pay excessive wages or profits out of proportion to increased turnover.

With inflation controlled in this way, demand can be allowed to increase, and because there is no ceiling placed by the scheme on profits and wages, the only requirement being that they should not be an increased percentage of turnover, companies would be induced to meet this demand and qualify for higher profits and wages without loss of rebate.

Because the rebate depends on the restriction of *distributed* emoluments, and demand would be maintained, companies could earn the gross margins necessary to finance re-equipment, though the scheme does place an upper limit on this in order that prices should not rise excessively.

Whether this scheme, or some other method is the answer to our problems should be investigated. Certainly it is essential to find a method of controlling inflation which is compatible with a high growth rate, and to find a method of controlling personal emoluments without restricting investment.

D. B. Egerton.
1A, Rectory Road, Rickmansworth.

Computers as duns

Sir,—So far this year I have received computer-inspired dunning and/or threatening letters from: the AA, Eastern Gas, the Institute of Mechanical Engineers, the National Trust, Rediffusion, UDT.

In each case (except one) the computer accounting system was demanding payments which had either already been remitted by cheque and the cheques cleared, or had already been made by standing order. The exception was where no bill or notification of payment due had ever been received.

I wonder just how much postage is being wasted and how many unnecessary telephone calls are being made throughout the country to clarify such misunderstandings?

F. K. Peachey.
108, Stapleford Road, Stopsley, Luton.

Communication problem

Sir,—Mr. B. C. Williams (July 20) has rightly drawn attention to the need to educate accountants to present their information in a way that managers can understand.

Many forward-looking accountants and professional accounting bodies are aware of this need and are trying to meet it. The British Institute of Management is already meeting Mr. Williams' suggestion by running a series of one-day courses entitled "Presenting Accounts and Financial Information to Non-financial Managers"; the next being on September 29, 1971, in London. This series continues to attract both accountants and non-financial managers and is most effective when there is at least one of each from the same company since it attempts to solve the communication problem that undoubtedly exists between accountants and others who do not speak their language.

There is obviously a continuing need to assist generalist managers to interpret financial and accounting information; to be aware of what is available and how to use it and, most important of all, to know what information should be provided in order that they may be able to manage their accountants effectively.

The existence of this need is demonstrated by the demand for courses on this subject reflected in the article by Terry Dodsworth.

J. B. W. Turner, FCA, MBIM,
Senior Adviser,
Financial Management and Management Accounting,
British Institute of Management.
Management House, Parker Street, W.C.2.

Peace in the Middle East

Sir,—In following the series of opinions expressed over the last few weeks in the Financial Times concerning the complexity of rights and wrongs of the various parties involved in the Middle East, one outstanding point emerges with distinction, and that is the total irrelevance of any past actions by either Arab or Israeli in the reaching of a satisfactory arrangement for the future.

Clearly, there has been a wealth of misdeeds carried out by both sides in the past, but if there is to be any hope of ever bringing an end to the continued waging of wars and uneasy truces, some more positive thinking must become the issue rather than the present-day bickering over which side committed the biggest breach of faith.

First, if either the Americans or the Russians are genuine in their desire to end the conflict, they must both discard the conception that a balance of power in the Middle East is the answer, and begin to de-escalate the arms build-up, in keeping with their apparent intentions in the SALT talks for disarmament in Europe. Left to providing their own weapons, most countries in the UAR would find economic difficulties prohibitive, and Israel's balance of payments at present suggests they would welcome a change in overseas spending.

Second, Israel and the Jordanian and Syrian Governments should co-operate in securing a sufficiently adequate area of land for the re-establishment of dispossessed Palestinians, with both sides providing the necessary finance.

Stephen Rothbart.
70, St. George's Road West, Bickley, Kent.

Art of doing without

Sir,—Andrew Tessler's interesting article "The difficult art of doing without" (Executive's World, July 21) rightly draws attention to a dangerous trend in industry—the proliferation of administrative staff—but he presents a simplistic view of the problem when comparing the rate of increase of productivity with the rate of increase of indirect operators. The ultimate criterion is not the productivity of direct workers but the rate of profit earned on the total resources employed. There are many demonstrable instances in which a combination of expensive plant and appropriate supporting staff with only a small direct labour force will produce a higher rate of profit than a labour-intensive operation serving the same market.

Management's duty is not simply a matter of engaging administrative personnel to enable the direct workers to do a better job, but rather to choose that combination of plant and buildings, materials and men (whether direct or indirect, hourly-paid or staff) that will serve the present and foreseeable market with the lowest investment of capital.

There is a danger, because the relationship between indirect and direct employees can be expressed as a simple ratio and changes in that ratio easily measured and published, that too much management attention is given to this aspect of operations when more time devoted to the creation of new business opportunities and increasing sales would not only boost profits but protect the investment.

In conclusion, I applaud Mr. Tessler's general thesis and fully support his plea for a close examination of all overhead expenditure, but let us always remember to consider the business as an integrated unit constantly seeking to grow.

E. J. Collino,
38, Hatherall Road, Maidstone.

Removal of post boxes

Sir,—Like Mr. Huebner, July 21, I too have noticed the deplorable removal of Post Office pillar boxes in the City.

For instance, one can carry a letter unposted from the Underground station, along Aldersgate (where a box was removed a year ago on the east side), down London Wall and into Throgmorton Lane (where another has been sealed up) for a distance of perhaps one and a half miles on major roads to the new Stock Exchange.

During this walk, one passes the big London Wall Post Office, with its six large posting slots; but at 8.15 a.m. these are still sealed up!

D. G. Ross,
Keys House, Farnham Common, Bucks.

A mysterious hole

Sir,—I was interested to read Mr. Huebner's letter.

There is an even greater mystery in Drapers Gardens where a large and important pillar box has been closed for many weeks with large pieces of metal placed over the mouth. The only possible reason is a small road repair within a few yards of the box. There is a modest sized hole made by the G.P.O. with no work having been done on it for several weeks. Can it be that the telephone department is in league with the postal department to provide a specious excuse for the reducing of postal facilities? If this idea gains momentum, London will be covered with small holes around all the postal boxes.

D. M. Snowden.
Pinners Hall, Austin Friars, EC2.

Venture analysis

Sir,—An article by your Australia correspondent (Executive World, July 14) refers to the use of venture analysis by Du Pont and its failure in the instance of Corfam to save the company from a sizeable loss. The principal cause of the failure was identified as faulty marketing knowledge.

However, in the description of the venture analysis model given by your correspondent, it is clear that marketing, as well as market, knowledge is an essential ingredient if venture analysis is to work.

A key step in the modelling process lies in deciding what proportion of a potential market a new product can conceivably capture. To do this requires depth knowledge of users' product and marketing requirements. This means having sufficient knowledge of what the customer is buying, not only in terms of product specification, but also the service level, reliability, delivery, packaging and image factors that he also pays for.

Furthermore, to be really effective, the model must take into account buying procedures and the factors influencing decisions. Industry traditions and loyalties which are unlikely to be displaced should also be fed in. Without this knowledge, it is difficult, to say the least, to decide what degree of displacement a new product can hope to achieve.

I was staggered to read that anyone undertaking new product analysis could attribute a failure to not understanding the market. While it is probably the most difficult in-put into the model to get right, it is also the easiest to delegate. Marketing research is no longer a field for the gifted amateur, having long since evolved from the fact-finding, number-crunching exercises, with which it is commonly associated. There is, however, a body of competent market researchers, who, though trained in particular techniques, have sufficient business knowledge to contribute more fully to the solution of the problem than by the mere provision of data. I suspect that had Du Pont briefed their market research team by providing them with the full scope of the problem to be solved, they would not be counting their losses to-day.

C. J. West,
Industrial Market Research,
17, Buckingham Gate, S.W.1

Road haulage claim by TUC

Sir,—I must correct the claim by the TUC reported in your issue of July 21, Page 12, that the "Road Haulage Employers' Association" has "fallen in" with the campaign for the inclusion in labour agreements of clauses stating that the agreements are not legally binding.

First, there is no such body as the "Road Haulage Employers' Association."

Secondly, the Road Haulage Association has not concluded any agreement, as the TUC claims.

The haulage firms, or groups of haulage firms, which have concluded such agreements are very few indeed, and are insufficient in number to justify the TUC's claim so far as it relates to the road haulage industry, or as it appears to relate to the Road Haulage Association.

E. W. Russell,
Secretary,
Road Haulage Association,
22, Upper Woburn Place, W.C.1.

Plastics and pollution

Sir,—I have followed with critical interest the correspondence which has appeared since the subject of pollution was highlighted, and more particularly since plastics were singled out as the villain of the piece. In much of this I find a confusion of terminology, and a general failure to keep the subject in correct perspective. As to the former I take exception to the use of the word pollution in the present context. Plastics as litter may constitute a nuisance and disfigure the countryside, but as normally encountered they certainly do not pollute it. Furthermore, as the data recently published by the Plastics Institute have shown, plastics account for but a minor proportion of the refuse ejected by our increasingly affluent society.

Over the years the plastics industry has spent vast sums to increase the chemical stability and hence the functional durability of plastics. The whole essence of these modern materials of construction stems from the fact that they do not corrode, as do many metals, they do not decay as do the traditional woods, nor do they break and constitute serious hazards as do glass and ceramics. It now appears that we are asked to disregard all these long-sought virtues of plastics, and put into reverse what we have hitherto regarded as progress, and by the addition of "Chemical-X" together with the action of sunlight, produce a material which will disintegrate into a powder or an aqueous (rain-water) solution. We are being advised to accept the doubtfully controllable process of converting a perfectly satisfactory plastics cup, for example, which is merely after-use litter, into a chemically decomposed material which might most certainly constitute a source of potential pollution.

Since the days of the natural cellulosic plastics which pioneered the industry, scrap either as such or as used material has been something of a problem. Times have of course changed, and to-day in our affluent society there can be no value attached to the "after-use" tag of earlier days, except in limited instances. To-day used plastics become litter, or within the context of the present correspondence, pollution, whereas in earlier times used plastics were largely recovered and reconstituted, and provided a raw material having some commercial value, albeit in the "non-virgin" category. As time has passed the volume and types of plastics available after use have increased, but in spite of the lack of suitable labour to separate the used plastics type-wise at an economic price, conservation of plastics for re-use could, under controlled conditions, be a viable proposition.

In the last analysis the problem is basically one of educating the public, but more generally it resolves itself into one of three possibilities, each having attendant difficulties be it freely admitted. Most logically the first should be, as it always has been, the separation and re-constitution of plastics for further re-use for less critical purposes. The second could be the destruction of plastics along with all other litter collected by local authorities up and down the country. The third could be the production of plastics materials with the additive "Chemical-X" which would render them self-destroying, hopefully at an opportune time and without (again hopefully) the production of polluting residues. To attain this latter needs considerable research and funds, as Professor Scott of Aston University has so widely proclaimed to the Press, radio and television. Informed opinion among experienced polymer technologists appears to be that whilst this is not impossible, its viable operation is questionable and improbable.

One final point. In the letters already published it has been suggested that as the bulk use of plastics increases, from agriculture for example or from the wider use of plastics milk bottles, the problem will become more difficult. This is quite untrue; indeed the reverse will be the case. As single uses of plastics increase both in number and individual volume, the problem and cost of the collection of once-used plastics will be eased, and the reconstitution of the recovered materials will become a more viable and attractive proposition.

V. E. Yarsley.
Yarsley Research Laboratories,
Clayton Road, Chessington.

TV/Radio

ASTRONOMY POSTS SEPARATED

The Queen has approved that the posts of Astronomer Royal and Director of the Royal Greenwich Observatory should in future be regarded as separate posts.

Sir Richard Woolley, the present Astronomer Royal and Director of the Royal Greenwich Observatory, will retire at the end of this year. The decision to separate the two posts does not mean they will necessarily be held by different persons. The title, The Royal Greenwich Observatory, will continue.

* Indicates programme in black and white.

BBC 1

12.00 Cricket: First Test Match—England v India. 1.30 p.m. Watch With Mother. 1.45 News. *1.53 Dyfal Donc. 2.18 Cricket and Racing: First Test—England v India, and Racing from Ascot. 4.20 Play School. 4.40 Jackanory. 4.55 Marina Boy. 5.20 Ryan and Ronnie.
5.50 News.
6.00 London This Week.
6.20 Dr. Who.
6.45 We Want To Sing.
7.15 The Virginian.
8.30 Look—Mike Yarwood!
9.00 Nine O'clock News.
9.20 Show Jumping from The Royal International Horse Show.
10.35 24 Hours.
11.05 Movie-makers: Rod Steiger talking at the NFT and introducing scenes from his films.

All Regions as BBC 1 except at the following times:—

Wales—*1.30-1.45 p.m. Ar Lin Mam. *6.00-6.20 Wales To-day. *6.45-7.10 Heddiw. *7.10-7.35 Dyfal Donc. 7.35-8.00 Here's Lucy. 8.00-8.30 The Spinners. *11.05-11.40 Wynebu Ffeithiau.

Scotland—*6.00-6.20 p.m. Reporting Scotland. *11.57 Scottish News Headlines.

Northern Ireland—*6.00-6.20 p.m. Scene Around Six. 11.57 Northern Ireland News Headlines.

England—*6.00-6.20 p.m. Look North (from Leeds, Manchester, Newcastle); Midlands To-day (from Birmingham); Look East (from Norwich); Points West (from Bristol); South To-day (from Southampton); Spotlight South-West (from Plymouth). 11.57 Regional News Headlines.

BBC 2

11.00 a.m. Play School.
4.30 p.m. Cricket: First Test Match—England v India.
7.30 News.
8.00 The Life of a Cathedral: Wells Cathedral.
8.30 Throwing Out The Cobwebs: film about Peter Brook.
9.20 Get The Drift: a search for Northern artists—literary and otherwise.
9.50 The Spoils of Poynton: Part 2, Sharp Practice.
10.30 News on 2.
10.35 Augustine of Hippo: his life in Italy and Africa.
11.25 Late Night Line-up.

LONDON

*3.05 p.m. Report. 3.45 Zingalong. 4.00 Yoga For Health. 4.25 Skippy. 4.55 Secret Squirrel. 5.20 Follyfoot.
5.50 News from ITN.
6.00 Riptide.
7.00 On The Buses.
7.30 The Sky's The Limit.
8.00 The FBI.
9.00 Kate.
10.00 News at Ten.
10.30 Police 5.
*10.40 Friday's Horror Film: "The Mummy's Hand," starring Dick Foran, George Zucco and Cecil Kellaway.
12.00 On Reflection ... Roy Strong Reflects On Gainsborough.
*12.25 a.m. A Likely Story.

All ITV Regions as London except at the following times:—

ANGLIA

[illegible]

ATV MIDLANDS

[illegible]

BORDER

[illegible]

CHANNEL

[illegible]

GRAMPIAN

[illegible]

GRANADA

[illegible]

HTV

[illegible] Crossroads. 7.00 Friday Film: "The Great Missouri Raid," starring Wendell Corey, MacDonald Carey and Ward Bond. 8.30 The Trouble With You Lillian. 10.30 Paper Round. 11.00 Dr. Price 1800-1893.

SCOTTISH

[illegible]

SOUTHERN

[illegible]

TYNE TEES

[illegible]

ULSTER

[illegible]

WESTWARD

[illegible]

YORKSHIRE

[illegible]

RADIO 1 247m

[illegible]

RADIO 2 1,500m; VHF

[illegible]

RADIO 3 194m, 464m; VHF

[illegible]

RADIO 4 330m; VHF

[illegible]

F.T. CROSSWORD PUZZLE NO. 1,626

ACROSS

Girl gets round fool of a stainer (6)
Number one returns Brown in ate (6)
State crop causes greed (7)
[illegible] throw-away gesture of [illegible]fection (7)
[illegible] M.A. and dons in turbu[illegible] get acknowledge[illegible]ents (10)
[illegible] lack of direction (4)
[illegible] expression of belief (5)
[illegible] charming as an Archbishop's palace? (5)
[illegible] Albert, it's a kind of [illegible]chery (5)
[illegible] one in the midst of the [illegible]ny (5)
[illegible]tared at the stable (4)
[illegible] but not greedy (10)
[illegible] at the counter maybe (7)
[illegible] king Albert if he approves fingers? (7)
[illegible] god at rest before the [illegible] (6)
Then lend the eye a terrible —" (Henry VI) (6)

DOWN

300 appear very bright (5)
[illegible]tists turn up to partake of little fish (7)
[illegible]ditional entry to circle line (5)
[illegible]nd Spahi in guise of an [illegible]eet (5)
6 Perfume can give rise to anger (7)
7 Can't resist diabolic impulse (5, 4)
10 Enjoyed by tall person in king-sized bed? (4, 5)
13 "I have heard that guilty — sitting at a play ..." (Hamlet) (9)
15 H.T. elastic untangled in the field (9)
17 Have further reservations about defence (7)
19 Spur on to the pinnacle of fashion (7)
21 Expert in image-making helps in training (5)
22 Said to be quickest repair job (5)

SOLUTION TO PUZZLE NO. 1,625

Racing

Black Sky at Ascot by DARE WIGAN

Although three previous winners were left in at the overnight declaration stage of the Hyperion Stakes at Ascot this afternoon, and it is reasonable to assume that *Dawn Review* who was runner up to *Stilvi* in the Wills Embassy Stakes (Qualifier) at Newmarket on May 29, and who three weeks later was an easy winner of the Windsor Castle Stakes at Royal Ascot, will be favourite, I shall go for a newcomer.

Leicester, a colt by *Tudor Melody*, out of a *Crepello* mare, whom Noel Murless trains for Mr. Joel, has run only once, when finishing a remote fourth behind *Deep Diver* at York in May.

I did not see the race, as I was at Salisbury that day, but Raceform records that *Leicester* was "leggy, unfurnished and started slowly." No doubt Murless will have wrought considerable improvement in him since then, and I am prepared to take a chance on his winning.

They are a poor collection in the Cranbourn 'Chase Stakes (2.30) which begins to-day's programme, but, on known form, *Spartan* ought to win, though his performance when finishing third behind *Winning Double* and *Red Reef* in a maiden plate at Salisbury at the beginning of the month does not say much for his ability in view of *Red Reef's* failure at Bath on Wednesday.

Miss London, *Coulomb* and *Fire Dress* looked the pick of the weights in the Red Oak Handicap (3.30), and there was much to like about the way in which *Miss London* battled on when going under by a head to the lightly weighted *Florintina* at the Newmarket July meeting.

However, I doubt her ability to concede 9 pounds successfully to *Fire Dress*, who made short work of *River Severn* and *Pavillon* at Newbury a fortnight ago.

There may not be much between *Black Sky* and *Winter Fair* in the Sandringham Stakes (4.30). *Black Sky* was responsible for a good effort when running *Gaberdine* to a short head at a difference of 10 lbs at Windsor in May; and *Gaberdine*, had he accepted for to-day's race, would have had to give John Benstead's horse 19 lbs.

Black Sky is the selection. In the absence of *Prosper*, *Sea Rover*, who was successful in a long-distance maiden race at Newbury in June, is the probable winner of the Sunninghill Park Stakes (5.00).

The Wills Castella Handicap (3.15) run over 1 mile 3 furlongs at Ayr is the most valuable event of the day and is likely to be won by *Brython*.

Brython, who has paid the penalty for having won two valuable handicaps early in the season, ran on gamely when third to *Quayside* and *Spitzbergen* in the Sunninghill Park Gold Cup at Doncaster on Saturday, and provided that effort has not taken too much out of him, he can repeat his victory of the corresponding event last year.

ASCOT

2.30—Spartan
3.30—Fire Dress *
4.00—Leicester
4.30—Black Sky
5.00—Sea Rover ***

AYR

2.45—Keep Moving
3.15—Brython **
3.45—Princess Varano

More racing in 1972—but less in evenings

By Michael Thompson-Noel

THE Jockey Club fixture list for 1972, published in yesterday's Racing Calendar, lists 909 racing fixtures—a record—compared with 901 in 1971. But there has been a further reduction in the number of evening fixtures. The 1972 total is 56 compared with 63 this year.

The overall increase in fixtures next year is accounted for by the number of extra days' racing scheduled for April and October, when the Horserace Betting Levy Board offers cash incentives to racecourses in a bid to maintain a strong betting turnover.

In addition, new fixtures have been allotted during the week, before Christmas, so that racing next year will continue until December 21.

Events

To-day

PARLIAMENTARY BUSINESS—
House of Commons: Third day of a four day debate on the Common Market White Paper.
House of Lords: Commons amendments to the Merchant Shipping (Oil Pollution) Bill: Anguilla Bill, second reading: Diplomatic and other Privileges Bill, second reading: Education (Milk) Bill, second reading.

COMPANY MEETINGS
ALLEN (J. J.), Harrods, S.W., 11. (Chairman, Sir Hugh Fraser.)
AUSTIN (E.) AND SONS (LONDON), Winchester House, E.C., 12. (Chairman, Mr. D. J. R. Austin.)
BELL AND SIME, Dundee, 12. (Chairman Mr. A. H. McGrady.)
EDGER INVESTMENTS, Sonesta Tower, S.W., 12. (Chairman, Sir Gerald Glover.)
GRESHAM HOUSE ESTATE, 24, Austin Friars, E.C., 12. (Chairman, Sir S. H. Gillett.)
MINT BIRMINGHAM, Birmingham, 12. (Chairman, Mr. E. C. Bird.)
PEEK WINCH AND TOD, Newhaven, 2.30. (Chairman, Mr. A. S. C. Hobrow.)
PROPERTY INVESTMENT AND FINANCE, 20, Fenchurch Street, E.C., 2.30. (Chairman, Mr. D. L. T. Oppé.)
SARAH TIMBER, 1, Great Tower Street, E.C., 11. (Chairman, Mr. H. G. C. [illegible])
VINER'S, Sheffield, 12. (Chairman, Mr. R. Viner.)

Derry Moore

Lynn Seymour with Michael Coleman and David Wall in Kenneth MacMillan's new ballet "Anastasia" which had its world première at Covent Garden last night. It is danced to music by Martinu and Chaikovsky. Scenery and costumes are by Barry Kay

Nottingham Festival

Antigone by GARRY O'CONNOR

Braham Murray's production of Sophocles' *Antigone* is the main theatrical event of the Nottingham Festival, and will be running in the Playhouse's repertory until the end of the summer. Played entirely on the forestage it is a broad swipe at the timeless yet often intransigent qualities of the work, which, in a new translation by the Professor Emeritus of English at Middletown, Connecticut, have been re-textured into limpid American prose. The accent is on making it look, sound, and feel con*temporary*.

The conflict in *Antigone* is terse and exhilarating. On the one hand there is Creon protecting the state's integrity by ruthless disposal of the remains of one of Oedipus' sons, while *allowing the other full and* decent burial. On the other hand is Antigone, the last of Oedipus' family, determined to *accord her brother the piety he* has a right to, wilful as only the daughter of Oedipus could be.

If the conflict is there in noble and simple form and its issue, the death of Antigone and Creon's own son Haemon in direct consequence of Creon's blind pride, is logical and inevitable, Sophocles made Creon's reversal of intention so swift and sudden that the dramatic structure is severely impaired. After Tiresias' devastating broadside of doom, Creon thinks again, and in ten lines or so, decides he will set Antigone free by which time it is too late.

Only very careful handling of this passage can make it credible in the way that Oedipus' realisation of the truth of his past is credible. Unfortunately this is where Braham Murray, instead of elucidating this change, sacrifices everything for an irrelevant effect, by making his chorus slough their cloaks and stand in painted underwear for the great invocation to Dionysus.

It is a lapse directly in line of descent from the golden phallus in Brook's National Theatre production of Seneca's *Oedipus Rex*. Yet there the orgiastic intrusion served more justly a decadent play, concentrating, as Seneca did, on pure theatrical effect. *But Sophocles* is anything but crude, and it is lamentable also, to mar the simple tragic narrative of the Messenger by making him appear in a purple cloak, masked eyes, and naked navel. Leaving the black discarded cloaks of the Chorus littering the stage is anti-climactic: the scene looks like a sports field with no changing rooms.

Certain scenes of Professor Howard Banks' translation are very good. I would single out the argument between Creon and Haemon, which becomes the strongest scene in the play. I was less happy about the sentry's speeches, one of which ends, "However nothing matters except my safety," by which he *meant when it came to* trouble he valued his own life more than anyone else's.

Shirley Knight Hopkins' Antigone has plenty of sound and fury, little subtlety of will. Jeffry Wickham's Creon is slow, slightly colourless, but rock-firm in intent. The most moving performance is that of Michael Elphick as Haemon and in it, *one can* feel the intellectual qualities of Sophocles, and experience the pursuit of wisdom. Little of this is evident in the *costumes. The males of the* Theban Chorus look like a convocation of Greek Orthodox priests, while their female counterparts seem to be wearing black bath caps. The delivery of their lines is effectively split up, though I didn't care for all the buzzing nasal harmonics.

Patterson's Horn Concerto

The music of Paul Patterson is familiar to Nottingham audiences through his former position *as composer-in-ordinary* to the locally based English Sinfonia. Two new works by him have been heard during the present festival, *the electronic score Continuum* reviewed on Wednesday, and the horn concerto given by its dedicatee Ifor James, with the English Chamber Orchestra conducted by George Malcomb, in the Albert Hall on Wednesday evening.

To anyone ignorant of his previous work and therefore without any evolutionary thread as a guide, the concerto is a puzzling piece. Not because it is difficult to follow, but because Patterson has chosen to write it in the last idiom you would expect to-day from a composer in his twenties, namely an anglicised neo-classicism, basically tonal, spiced with what were once called "wrong notes," motoric rhythms, bouncy syncopations, lyrical second subjects for the fast movements. Some of the first movement gives the impression of a deliberate exercise in a style Patterson feels compelled to exorcise from his system. The rest is more convincing. In the Adagio there is some fancy string writing applied on the surface rather than growing naturally out of the material, *but this decoration is excused* and overshadowed by genuine lyrical warmth. The finale is a rumbustious rondo (marked *guerrierro presto*, but Mr. Patterson is a cheerful warrior) returns to strongly emphasised rhythms, equally strongly dislocated, but *this time with disarmingly and* unselfconsciously high spirits.

The concerto has its stylist faults and inconsistencies, but it provides the solo horn with a fat virtuoso part, played by Ifor James on Wednesday with agile fluency. The final impression left by the work was of talent and personality temporarily on the wrong tack. Something about the second and third movements provoked a lingering idea that the setting of words, for the stage or otherwise, might offer the interaction of stimulus and *discipline that on this evidence* abstract music fails to deliver.

The other concerto in the programme was Beethoven's violin, performed with irresistible attack and energy by Kyung Wha Chung. If she was less compelling in the reflective episodes, that was partly because in the Nottingham Albert Hall the sound is right on top of the audience. It was invigorating to hear Beethoven with a smallish orchestra in a smallish, resonant hall. The way Mr. Malcolm kept the ECO wind to the fore, though it largely destroyed the mystery, the wraptness, of the Larghetto, gave the music an *amount of muscle not to be* found in routine performances.

In Beethoven and Haydn, whose London symphony ended the programme, Mr. Malcolm dug below the surface. The metaphor may have been at least in part inspired by the conductor's awkward, stickless gestures, but they brought to light many riches especially in what, though it is not all of the static, contemplative kind, one must call Haydn's slow movement. Rossini's *Silken Ladder* overture on the other hand was stiff, unsmiling, too fast for the woodwind's composure.

RONALD CRICHTON

University of London Union

School for Laughter

Anyone wandering in late to the theatre at the University of London Union this week would have thought he had stumbled on the last remaining intimate revue in the capital. A light sketch here, a gentle song there, all performed by an attractive young quartet of actors.

But then suddenly the theatre *of the absurd raises its head.* One of the actors puts on a mortar board and starts talking about the use of relative clauses in the last sketch. *Immediately* he has divided the audience into two, and they have joined in the show: "Who is Mr. Heath," cry the men; "Mr. Heath is the Prime Minister," retort the ladies. And everyone laughs.

Which is good, for this is the School for Laughter. It lasts a month and is aimed at tourists and foreign students who think *they should visit* the London theatre but cannot really understand much of the West End plays. It is organised by International House and BBC *English* by Radio, and in the main is rather like a good natured end-of-term university revue with occasional commercials for the English language. To someone who has spoken English all his *life* the instruction tends to hold up the action, but the foreign element in the audience was obviously quite prepared to work *for its laughs.*

The artists are very professional. There is Joyce Rae, fresh from the lead in *Hair*, and Richard Franklin, who helps out Doctor Who each week, and Miranda Bell and John Colclough. They seem to enjoy it all. The lights are bright, the clothes are gay, there are some lively slides, and even a spoof striptease which rather shocked and quietened the audience. The one-liners fell a bit flat, but all in all this jolly evening should amuse and bolster the confidence of foreigners and intrigue the passing Englishmen. If nothing else he will be glad he never has to get to grips with the present perfect.

ANTONY THORNCROFT

Derry Moore

Sara Kestelman, Sebastian Shaw, Mary Rutherford, Brenda Bruce and Helen Mirren in the Royal Shakespeare production of Gorky's "Enemies" which opened last night at the Aldwych Theatre

Cinema

Edge of the mind

By DAVID ROBINSON

King Lear (A) ... ...
(Prince Charles Theatre)
The Horsemen (AA)
(Astoria, Charing Cross Road)
The Devils (X) ...
(Warner Rendezvous)

Susan Engel as Regan taunts the blind Gloucester—in "King Lear"

I have unfortunately not yet *seen the film adaptation of King Lear* by the veteran Soviet director Grigori Kozintsev whose *Hamlet* is unquestionably the *most intelligent screen version of* Shakespeare to date. A recent long article by Kozintsev's contemporary from the 20s and the "Heroic Revolutionary" era of Soviet art, Sergei Yutkevitch, indicates that his approach to this very difficult play is to place it *in a much broader social context*, setting the King's capricious abdication against the background of a whole mediaeval *society*. Peter Brook's version starts with shots panning over a vast crowd of Lear's subjects; but they are hardly glimpsed *again after the titles;* and the film soon settles down to a more traditional interpretation of the story as a rather intimate family *affair*.

Clearly the film is developed out of Brook's celebrated stage production which also had Paul *Scofield in the title role. Scofield* is an actor of strange and individual method. It seems as if in creating a role he needs al*ways to begin with a scaffolding* of mannerism, within which to build the character. Sometimes the scaffolding alone remains evident in the outcome. Sometimes—in *A Man for All Seasons* as one outstanding instance—it stays as a kind of transparent shell around the fully developed character. At his most successful the scaffolding of mannerism is entirely integrated with the human figure; and this is what has happened with Lear, where the imitated old man's voice, the assumed heavy movements, at once intimating senility and power, really seem to belong to a living being.

Scofield finds highly intelligent solutions to the traditional problems and contradictions of the role. If you linger over, or ques*tion, the initial premise upon* which the whole film hangs, you are lost: Scofield treats Lear's division of the kingdom quietly, thoughtfully, statesmanlike—supposing, for the sake of argument, that such a folly could be contemplated seriously. (Kozintsev, apparently, treats it frankly as a frivolous old man's cripice.) After this remains wily and alert, *even acutely conscious that his* own passion, if unchecked, is going to undo him. After this it is a clear parabolic progress to the peak of madness (which with Scofield is never without enough underlying shrewdness to indicate the extent to which *the escape into insensibility* might be voluntary) and then to a resolution in the final calm, when Lear, in losing his reason, seems to have acquired some instinctive wisdom and humanity that were lacking in his former state.

Scofield's *reading of the text* is often a marvel; he discovers new cadences in the strange repetitions which are peculiar to *Lear*, and makes out of "Never, never, never, never, never" a whole speech, complex and poignant.

He has an appropriately weighty entourage. Jack MacGowron is an older, tougher Fool that usual, and not so dismal as *the character can easily become.* Irene Worth is a stubbornly and incorrigibly stupid General; Susan Engel a horridly gracious *and lady-like Regan; Alan Webb* a dithering, well-meaning, obtuse, gulled Gloucester; Tom Fleming a surly and unyielding old cur of a Kent.

Brook has provided himself, in fact, with some admirable material to work on; and shot the film in Danish settings and locations of suitable mediaeval brutality. Yet it seems always characteristic of his films, in contrast to his stage work, that at the last moment he loses nerve, loses confidence in his material, and feels the compulsion aggressively to assent on "cinematographic" personality and style.

*In Lear he has correctly identi*fied a disjointed and staccato quality; but he has incautiously emphasised it not only with passages of epileptic camerawork and a violent mannerist cutting with which he disjoints the phrases of soliloquies. He has also chosen to cut out scenes, speeches, lines and, most peculiarly, individual words. With *them goes much of that quality* Granville-Barker perceived in the play's eccentric structure, that "some character, some circum*stance, or a few salient and* explicit phrases will always be found pointing the action on its way." Now the play and Sco*field's performance too seem* obscured behind all the cinematographic devices and effects. On occasion obscured in a very literal sense, for Brook has devised a storm which totally drowns out Lear's words. At the best of times it is often rather *difficult to fix attention on the* text with the distraction of visuals which seem to counter rather than emphasise the action. *It was compliment to say of* Kean that his playing was like reading Shakespeare by flashes of lightning; it is a reproach to *Brook to say that the illumination of his* version is similarly intermittent.

All this is the more frustrating *since there are marvellous* moments, fine insights: Lear's mounting suspicion of the discourtesy he at first only senses; *the trial of the joint stools*—a fine exercise in the absurd: above all the end, with the two broken fathers, one blind, the other mad, slowly recognising and then helplessly, despairingly comforting each other on the sad, wild beach.

★

Recent John Frankenheimer films—*The Fixer, I Walk the Line and now The Horsemen*—have an odd, inconsequential air as if they had been severely cut; which, for all one knows, may be the simple explanation.

The Horsemen has all the appearance of seeking to develop some sort of philosophical notion—and undoubtedly set out to *be that way, since it was scripted* by Dalton Trumbo, a highly intelligent and thoughtful writer who was outlawed from Holly*wood for many years after the* McCarthy blacklist and recently made his debut as a director at the age of 66 with *Johnny Got His Gun. But any such* intention is frustrated.

Visually, from scene to scene, the film is very taking—an Arabian Nights adventure on which from time to time the modern world of contemporary Afghanistan intrudes. It is adapted from the novel by Joseph Kessel. Old Tursen (Jack Palance) has been the greatest horseman in the land: now he is old and his feeling towards his son Uraz (Omar Sharif) is a complex mixture of resentment and admiration. His feelings are intensified when he sends his son and his finest horse to ride in the Royal Buzkashi, a rather violent sporting event somewhat like polo, in which horsemen armed with vicious whips fight to carry off a headless sheep corpse. Uraz breaks a leg in the contest; and to mitigate his shame embarks on a lunatic trek home through the most dangerous and difficult available route, accompanied by a groom whose loyalty is diverted by a nomad whore and desire for his *master's* horse. Uraz returns home without his leg (amputated with a hatchet *en route*) to find a new sympathy with his old father.

Neither the story nor its characters ever seem really to arrive anywhere. You are left to divine their feelings and motives without any very clear evidence on which to do so. Things might have been easier with an actor less glamorou[s], *wooden*, and *more express*[ive] than Omar Sharif. For all [its] overlength, however, it is reas[on]ably beguiling on its [way to] *nowhere*.

★

The plain vulgarity and c[om]monness of *The Devils* is [not] so much to be regretted as [the] lack of imagination it reve[als.] Ken Russell is the most lite[ral-]minded of directors. Nothing [is] suggested. If he shows a cor[pse] he shows the maggots feasting [on] the eyeballs; if he wants to s[how] disease he shows it all feste[ring] and purulent; if he wants to s[how] a man being burned he delig[hts] in all the details of the s[kin] blistering and charring [and] bursting; if he wants to s[how] sexual excesses, only the (in [this] case understandable) restrai[nt of the] scissors of the British Board [of] Film Censors sets limits on [him.] Even more than *The M*[usic] *Lovers*, *The Devils* reveals [an] infantile compulsion to sh[ock] and repel, cost what it will. [In] fact it costs a lot: his effects [are] achieved at the expense of [the] story, the players, finally [the] whole film.

The story of the Nuns [of] Loudun is a fascinating one, [as] Jerzy Kawalierowicz's dry [and] intelligent *Mother Joan of* [*the*] *Angels* revealed. Ken Rus[sell] makes it a fantasia of dec[adence, tor]tion and violence and sexua[lity] at the base of which is noth[ing] more substantial than a sch[ool] radio history play. Oliver R[eed] *is left out on a limb, striv*[ing] to make something coherent [and] intelligent out of the chara[cter] of Grandier, the sensual pr[iest] despite the surrounding [en]semble of normally good ac[tors] here encouraged to their w[ildest] extravagances.

Chichester Festival Theatre

Reunion in Vienna

by B. A. YOUNG

Robert Sherwood's comedy, *which dates from 1931*, belongs to a world that only survives for us in the old films on our week-end tellies. A romance between a prince and a commoner, against a Viennese background—uniforms, waltzes, generals, everything except a musical score by Lehar or Strauss. True, this is the Vienna of the 1930s; the uniforms may no longer be officially worn, the general is retired, the prince (a genuine Hapsburg) has been exiled since the Austrians deposed *their royal family* and can only pay his clandestine visit to his former mistress by sneaking over the frontier in *disguise. But we will remember* Vienna, to coin a phrase, as it has always been for us in the theatre, and Mr. Sherwood has *contrived to give its old glitter* an extra lustre by presenting it to us as a glamorous recollection of the recent past.

The play *is* a deliberate pastiche in the style of Molnar, but it hardly shows Molnar's genuine aptitude for romance. *The plot about the archduke* Rudolf's attempts to recover his former mistress Elena from her husband, the world famous Viennese psychoanalyst Anton Krug, rings as hollow as a cracked bell; and lines like "Everyone of them has been *but a proxy for you" plead for* the helping balm of a waltz time melody.

Frith Banbury, the director, has realised that he is dealing with a period piece and has provided a period production, with pretty period sets by the versatile Carl Toms. The art of acting comedy has changed a lot in 40 years, and the company are to be congratulated on the ability with which they have recreated the style of the Thirties, with its flamboyant delivery and self-conscious gesture. Only Michael Aldridge, as Krug, stands outside it all; the *author* has made him the stern symbol of the new world among the froth of the old, and he keeps the Herr Professor Doctor on a tight rein, even when he takes his coat off preparatory to throwing the randy archduke out of his house.

Nigel Patrick has caught Rudolf exactly. Not that any archduke outside operetta ever behaved in this way, with its blend of arrogance, dignity and *fatuity; but the type has long* been standardised, and Mr. Patrick, with his swashbuckling self-infatuation, breathes just *the kind of life into it, if life* is the proper word, that it requires.

Between the two men, *Margaret Leighton plays* the romantic role of the toast of yesterday who has become the bread-and-butter of to-day. It's not one of her great roles, but she sustains it with dignity and a good deal of humour. Around them swirls the shop soiled *va et vient* of fashionable Vienna. Frau Lucher, the famous hotel proprietress (Beatrix *Lehmann*). *Poffy the former* courtier (Brian Hayes), General Hoetzler (Harold Innocent) with his tireless recollections of unsuccessful campaigns.

The staff at Lucher's (based, presumably, on Sacher's) line up like the chorus of *Hello, Dolly!* as Miss Lehmann briefs them for the party that occupies most of the middle act. I longed for *them to burst into song.*

'Lohengrin' at Sadler's Wells

On Thursday August 12 Sadler's Wells Opera will present a new production of Wagner's *Lohengrin*, the last opera that Wagner completed *before he embarked upon the Ring*.

It will be Colin Graham's first Wagner production. The conductor *will be Charles Mackerras* and the designer Michael Knight. The new English translation is by Gordon Kember.

Farming and Raw Materials

Surprise price drop hits Argentine beef supplies

BY GODFREY BROWN

FUTURE beef supplies from Argentina — traditionally the major overseas supplier to Britain—have been put in jeopardy by a sudden, unexpected, and sharp drop in wholesale prices on the U.K. market. This promises potential beef bargains now, but the prospect of having to pay much more later on.

The sudden drop in prices has taken the meat trade by surprise and involved some wholesalers in substantial losses. The beef they bought at firm prices in Argentina—essential if they were to obtain supplies—reached a market that had been undermined by the prolonged spell of hot weather and widespread consumer resistance to high beef prices.

Argentine chilled boneless rumps of beef were being quoted on Smithfield wholesale market, London, yesterday at 30 to 33.3p a lb., against 37.5 to 40p a lb. a month ago and a peak of 52.5 to 53.3p a lb. three months ago.

Boneless cuts

Some wholesalers have bought up to 50 tons of striploins—only to see the market value drop by 10p a pound. The inability to continue taking losses such as this is one reason why the drop in prices seems unlikely to last. But more importantly, the lower prices makes the U.K. market less attractive to the Argentine exporter, who is having to compete for supplies on the high-priced Buenos Aires market.

Already, Argentine shipments which had been stepped up from the very low level of 500-600 tons a week earlier this year to the 1,000-1,200 tons mark in response to the firm market here, have fallen back to around 600 tons and could go still lower.

Argentine chilled boneless cuts are currently wholesaling at lower prices than at this time a year ago, and have continued to fall this week, unlike Scotch and Irish beef which has tended to firm. Scotch sides were being quoted yesterday at 18.5-20.8p a lb against 17.5-20.6p the previous week.

This slight uptrend is not because of a pick-up in demand, but reflects a holding off of supplies by producers who are either engaged in more urgent farming operations at this time of the year, or expect prices to move higher again.

Elsewhere, first-hand bacon prices were marked down by £15 to £20 a ton on the London Provision Exchange yesterday. British A1 was priced at £325 a ton against £340-45 the previous week, while Danish A1 was £15 lower at £345.

An increase of 1p to 1½p a 7½-oz pack came into effect this week on Wall's packaged bacon. The company said the decision to raise prices was taken a month ago and was forced on the company by the rise in raw material prices. British bacon is currently some £65 a ton above the March and April levels.

See food prices table Page 30

EEC threat to apples market

...CREASED imports of apples ...d pears if Britain joins the ...mmon Market could seriously ...set the delicate balance of ...pply and demand in the ...lustry, says the annual report ... the Apple and Pear Develop...nt Council, published yester...

...he report says that present ...derlying trends "show that in ... crop years supplies of dessert ...ples are more than sufficient ...meet demand, culinary apples ... substantially over-supplied, ... the position for pears is ...isfactory."

...leanwhile, in Sydney the ...stralian Apple and Pear ...rd warned that it faced an ...recedented increase in ...ght charges for 1972 reports ...ter.

...t said there could be a 25 ... cent. rise in freight rates ... the U.K. and Europe.

Fruit traders in new link with growers

By Our Commodities Staff

...formation of two new com...ies to establish closer links ... Kent fruit and vegetable ...wers was announced yesterday ... Saphir, Sons and Co., London ... merchants. A company ...ed EKP-Saphir is being formed ...tly by Saphir and East Kent ...kers, one of Britain's biggest ... growers' co-operatives, with ...nitial share capital of £100,000 ...scribed equally by the two ...panies.

...phir already has close links ... East Kent Packers in the ...keting of the co-operative's ...ut of home-grown apples and ...s and also helps to provide ...all-the-year throughput. The ...pany will be responsible for ...llary activities such as trans... distribution and packaging.

...rowers and Saphir (Kent), the ...r new company formed with ...nitial capital of £10,000, is a ...up with another producers' ...perative, Vegetable Growers ...nt).

... this case Saphir is to act as ...aging agents for the co-opera... and be responsible for all ...nisation over packhouse fore... level: in other words the pro...rs will concentrate on grow... and Saphir on the marketing ... somewhat similar arrange...t to the East Kent Packers ...ip.

Australia approves wool subsidy plan

SYDNEY, July 22.

THE Australian federal cabinet to-day approved a wool subsidy scheme guaranteeing graziers an average of 36 cents a pound for wool over the next year, Sydney radio stations reported to-day from Canberra.

The plan would cost about $A160m. if wool prices at the auctions remained at 30 cents per lb over the financial year ending June 30, 1972, the reports said.

The country party, which forms the coalition government with the liberal party, originally had sought a guaranteed price of 40 cents per lb.

This figure was opposed by the liberals who favour a reconstruction plan for the wool industry.

Details of the plan are not due to be given until the Federal budget is brought down on August 17.

In addition, the cabinet was reported to have approved long-term assistance for woolgrowers that would not involve an immediate cash handout.

One report said the more economic graziers would be able to obtain long-term low-interest loans to help them over the current depressed state of the wool industry.

Growers who claim their financial position is hopeless will be helped to leave their land under a rural reconstruction scheme, the report said.

MORE SALES OF U.S. GOVERNMENT BUTTER STOCKS

WASHINGTON, July 22.

The Commodity Credit Corporation sold a further 199.910 lbs. of government-owned butter to exporters for unrestricted shipment.

The butter was sold to Amtraco Corporation, of New York, at the fixed selling price of 50 cents a pound, f.a.s. vessel at port of shipment, from Kansas City, Kansas.

The Minneapolis CCC office will accept bids on 15.3m. lbs. of butter by July 27.

Reuter

Import quota for tomato concentrates

By Reginald Dale, Common Market Correspondent

BRUSSELS, July 22.

THE Common Market is to introduce safeguard measures against imported tomato concentrates from August 9, the Brussels Commission announced here to-day. From that date, tomato concentrates coming into the Community will require import licences issued on the basis of a quota system which has still to be finalised.

The Commission fears that if nothing is done to curb imports, the Community could be faced with a 200,000 ton tomato surplus this year.

The main aim of the move is apparently to persuade importers to bring their prices up to levels which will not undercut competitors inside the Community.

Prices of imported tomato concentrates have recently been running at between 30 and 40 per cent. below Community levels, the Commission claimed. The Community's 18 per cent. tariff has consequently not been enough to protect Common Market producers.

The safeguard measures will not apply to Greece, one of the main suppliers, which exported tomato concentrates worth $4.4m. to the Six in 1969. Chiefly affected will be Portugal ($5.4m. in 1969), Spain ($2.6m.), Bulgaria ($2.2m.) and Hungary ($1.3m.).

FISHERMEN PLAN MARKET PROTEST

About 80 South Coast fishing boats will moor off-shore at Southsea, Hants., on Sunday as part of a demonstration by inshore fishermen against the proposed terms for Britain joining the Common Market.

Fishermen in the 80 boats will later ferry to the shore to join a protest meeting on Southsea front organised by the South Coast Net Fishermen's Association.

WOLFRAM CHEAPER

The London market price of wolfram ore was marked down again yesterday to a range of £18.25 to £19.75 per metric ton unit c.i.f. Europe from £19.00-£20.25 previously, reports Reuter.

The lower price is attributed to small selling on a very quiet market with little consumer interest.

Progress in U.S. copper strike talks

By John Edwards

PROGRESS towards a settlement of new contract terms with Kennecott, the largest U.S. copper producer, was made at talks between the company and the workers' union, Reuter reported from Salt Lake City yesterday.

A union spokesman said it was hoped that a memorandum of agreement would be initialled in time for the meeting of the non-ferrous metals labour conference at Salt Lake City to-morrow when there is a possibility that the strike by U.S. copper workers, which started on July 1, will be called off.

The language of the tentative agreement reached with Anaconda is still being "finalised" according to the union spokesman, but the unions have requested a further meeting with Phelps Dodge.

London copper prices remained steady yesterday awaiting the outcome of to-morrow's meeting. Meanwhile the U.S. Copper Institute reported that world copper stocks fell by 42,000 short tons in June, primarily because deliveries in the U.S. were well above refined production.

In Chile about 6,500 workers at the El Salvador copper mine have turned down a pay increase of 23 per cent. offered by the company. The unions have threatened to strike when the current contract expires

In Peru the Southern Peru Copper Corp. says production is back to normal at its Toquepala mine and Ilo refinery, following the settlement of a strike there

Lack of credit hits jute mills

By Our Own Correspondent

NEW DELHI, July 22.

THE Indian Jute Mills Association has complained that lack of bank credit is undermining its efforts to finance a bumper jute crop and achieve higher production of jute goods.

In a statement, the Association has expressed satisfaction that the Reserve Bank discussed the industry's problems last Monday, but feels it has to record disappointment at the outcome of the meeting. The Association has demanded large bank credits in view of the industry's poor financial position and the Government's directive that monthly output of jute goods should be raised to 110,000 metric tons.

The statement adds that the industry's ability to lift raw jute at more than the minimum support price would improve the prospects of the next crop, neutralise the impact of the influx of East Bengal jute on prices of Indian fibre, and enable buying up-country

NORWEGIAN AGRICULTURE

EEC entry could mean total disaster

BY JOHN CHERRINGTON, AGRICULTURE CORRESPONDENT

NORWAY is qualifying its application for EEC entry by insisting that neither the Community's fishing nor agricultural policies should be applied there. After a week looking at Norwegian farming it is easy to understand why.

The Norwegian fjord country provides a contrast of steep mountains rising straight from the water's edge, interspersed with little patches of green fields where a handful of families, sometimes even a single one, farm sufficient grassland to support a few cows, a field of potatoes, or other crops.

Sometimes the area of better land farmed is big enough to support a whole community, such as I visited the other day while staying at Leikanger on the Sondal Fjord. I left the village in a motor-boat—otherwise the school "bus"—and after an hour's tossing across stormy water reached Otteshanger, which has no other access than the fjord.

It is a community of about 400 people, mainly farmers, and seems to support quite a reasonable way of life. There are cars and local roads, a church and a small supermarket where the prices for such commodities as pork chops and butter, both over 50p per pound, made me realise the high cost of every-day living in Norway.

On arrival I was driven to a farm on the 1,400 feet level, well above patches of melting snow on the opposite northern face of the mountains. The farmer has 7½ acres of land, practically all of it so steep as to make tractor driving dangerous. He milks five cows, has 15 ewes and their lambs, which at this time are roaming in the mountains, and for his main source of income just under two acres of strawberries and a few raspberries. In the winter he converts timber from his forest area—all farms have some—into herring boxes and other rudimentary products in his own small sawmill. The whole work of the farm is done by himself, his wife and one unmarried son.

His milk is taken to the factory by the same route as I had taken; by road, by water, by road again. His strawberries go to a cannery near Leikanger. His total gross income would be roughly £4,500 and he seemed to be maintaining a reasonable standard of living, as from appearances were most of his neighbours.

Not all Norwegian farmers are as isolated as he is, some have better farms in more accessible areas, notably nearer Oslo. But in the Leikanger district there are opportunities in fruit growing, which are denied farmers in other and harsher climates.

It can fairly be said that Norwegian farming, even in the best areas, is a highly marginal operation by British and many European standards. The climate is bad, with winter lasting from seven months in the south to nine months in the farthest north. Farm land is only 3 per cent. of the country's total area, and the farms are very small. Fewer than 5,000 out of a total of about 150,000 recognised holdings are of more than 50 acres. Because of climatic and soil conditions crop yields are low. Milk yields are quite good but are achieved at considerable expense of fodder conservation and feeding costs.

Depopulation

This farming could not exist without a whole range of transport subsidies and deficiency payments at a total cost of £75m., which raise farm prices to a level far higher than those in the EEC. An idea of the fundamental inefficiency of Norwegian farming is that in Britain 3 per cent. of the population produces 60 per cent. of temperate food supplies. In Norway 11 per cent. of the population is producing roughly 30 per cent. of the country's temperate food.

The Norwegians recognise this, but estimate that the full implementation of the Common Agricultural Policy would mean a complete pauperisation of rural Norway, outside a few favoured areas.

It was pointed out that while fishing could support a small population, there is absolutely no other possible means but farming of maintaining a substantial population outside the main urban centres. Government policy for social and strategic reasons is therefore based on a considerable degree of farming.

Even if Norway is allowed to keep its own agricultural system once in the EEC, Common Market prices will have to be paid for imports of basic foods, particularly grain and sugar. And Norway would paradoxically become, for that reason, a net contributor to FEOGA, the Common Agricultural Fund. These higher food prices would add to the burdens of the Norwegian consumer, who appears to accept the present high cost of farm subsidisation with reasonable understanding, but might object if it became much higher.

Even so it would seem quite obvious that rural depopulation is bound to continue. The average age of all farmers is 56, and already you can see, as can be seen in many other parts of Europe, odd patches of land going out of cultivation becoming covered with weeds or secondary growth. Farmers told me that milking cows is becoming unattractive, despite their extraordinary good yields and high milk prices, and there is no doubt that younger people are finding an easier way of life in the towns. However there has not yet been an exodus comparable with that in central and southern France, where more good land is derelict than is being farmed in Norway to-day.

The biggest obstacle to any rationalisation of Norwegian farming is simply that soil conditions make large scale mechanisation virtually impossible, while climatic extremes would be bound to make Norway virtually uncompetitive with any other Common Market area. The social changes that the Common Agricultural Policy would bring are such that unless Norway is permitted to opt out of its implementation, she is unlikely to join. To try to force entry on her would seem to be unreasonable.

Bid to stabilise U.S. aluminium market

BY OUR COMMODITIES STAFF

AN attempt to end the heavy discounting of the official aluminium ingot price in the U.S. is being made by Reynolds Metals, second largest U.S. aluminium producer. It announced that its selling price of primary ingot and billets was going up by ½ cent a pound on new orders after September 1 and being raised by an additional one cent a pound after January 1, 1972.

But the company emphasised that its published official price for ingots is not being raised from its present figure of 29 cents a pound. It follows, therefore, that the increase in price is being achieved by cutting down the discount being given on the official price, believed at present to be several cents

Evidently Reynolds is hoping that by September the cutback in output recently by most of the major U.S. aluminium producers, and a revival in demand, will bring a less competitive market

COMMODITY MARKET REPORTS AND PRICES

BASE METALS

COPPER—Moved narrowly on London Metal Exchange, forward metal trading between £455 ... £457½ all day. The market ...ared to be marking time in ... of the week-end talks which ...aimed at a settlement of the ... copper workers' strike. News ... the workers at El Salvadore ...hile had turned down the ... wage offer and that world ...er stocks fell 42,000 tons in ... had little market impact. ... over 9,300 metric tons.

...y Gardner and Co. reported that in ...morning, cash wirebars traded at ...46.5, 47.5, mid-Oct. £456, three ...s £457, 57.5, 57, 57.5, 57, 56.5, ...5, cash £435.5, 35, three months ...445. Kerbs: Bars: cash £447, early-Oct £454, three months £456, 55.5, 55. Afternoon: Wirebars: cash £445, three months £57, 56, 55, 55.5, 56, 55.5. Cathodes: three months £445.5, 44.5. Kerb: Bars: cash £445.5, 445, mid-Aug £449, mid-Oct. £455, three months £456, 56.5, 56, 55, 55.5, 55.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Wirebars				
Cash	447-.5	+5	445 6	—1.25
3 months	456.5-7	+5.5	455-6	—1.25
Settlem't	447.5	+5	—	......
Cathodes				
Cash	435-.5	+2	433.5	—2.5
3 months	445-.5	+2.5	444 5	—2.25
Settlem't	435.5	+2	—	......
U.S. Smlt.	—	......	*52.75-53	......

TIN—Easier. Prices opened lower, reflecting the fall in Penang, and held steady at the lower levels. Hedge selling was well absorbed despite the quietness of outside demand. Turnover, including carries, 495 tons.

Morning: cash £1,435, 34, late-July £1,433, three months £1,452 to 50 to 53, 52. Kerb: cash £1,433, late-Sept. £1,450. Afternoon: late-Sept. £1,447, three months £1,452, 51, 50. Kerb: three months £1,450.

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£		£	
Cash	1433-4	—2.5	1432 4	—5
3 months	1452 3	—1	1449 51	—5.5
S'ment	1434	—3	—	......
Straits Eq	1477 15	—4.66	—	......
New York	*166.75	—¼	*166.00	......

LEAD—Marginally lower in quiet trading, although a little more interest was shown in the afternoon. Turnover 3,975 tons.

Morning: cash £109.25, late-July £109.5, mid-Sept. £110.75, three months £111.5, 11.25. Kerb: three months £111.25. Afternoon: late-July £109.25, three months £111.25.

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£		£	
Cash	109-.25	—.25	108.75-9	—.5
3 months	111.25-5	—.25	111 25-.5	—.25
S'ment	109 2.	—.25	—	......
N.Y.	—	......	*14-14[illegible]	......

ZINC—Up again but closing below the day's highest levels. Continued physical demand and speculation as to a rise in the U.S. producer price took values higher, but gains were later pared in line with reduced buying interest. Turnover 5,575 tons.

Morning: cash £135, early Sept. £137, mid-Sept. £138, three months £138 to 38.75, 38.5. Kerb: three months £138.25. Afternoon: mid-Sept. £137.5, three months £138.5 to 38.

ZINC	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	135.5-.75	+1.25	135.25-.5	+.25
3 months	138 25 .5	+1.5	138-.25	+.25
S'ment	135.75	+1.25	—	......
E.St.Louis	—	......	*16	......

* Cents per lb. † On previous unofficial close.

SILVER

LME—Turnover 59 (33) lots of 10,000 ozs. Morning: Late Oct. 65.5p, 65 5p, three months 65.6p, 5.9p, 5.8p. Afternoon: Cash 64.5p, three months 65.9p. Kerb: Three months 65.9p.

SILVER (per troy oz.)	Bullion fixing selling prices	+ or —	LME close	+ or —
Spot	64.4p	—0.6	64.75p	+0.8
3 months	65 7p	—0.6	65.85p	+0.6
6 months	67.1p	—0.6	—	......
7 months	—	......	67.75p	+0.65
12 months	70.0p	—0.7	—	......

COCOA

Cocoa futures were quiet and only minor changes occurred, reports Gill and Duffus.

COCOA	Yesterday's Close	+ or —	Business Done
No. 2 Contract			
July	250.0-1.0	—	230 0
September	235.5-6.0	—	234.0 6.5
December	243.0-3.5	—0.5	243.1 4.0
March	249.0-9.5	—0.5	248 0 50 0
May	252.5-3.	—1.0	251 5 3.5
July	256.5-7.0	—0.5	255.5 7.0
September	260.0-0.5	—0.5	260.5

Sales: 1,009 (1,725) lots of 5 tons each.

FREIGHTS

DRY CARGO—Grain shippers covered cargoes from Churchill to Antwerp, Rotterdam or Amsterdam at $3.40 for Aug. and from Toledo to Rotterdam at $3.25 both f.i.o., completing St. Laurence $2 for Aug. A wheat cargo from the St. Lawrence to Cape Town-Durban was quoted at $8.75 f.i.d. for Aug. Australian wheat shippers fixed a cargo to Bandar Shapour at £2.12 free discharge, option Port Sudan discharge £2.75 for Aug.-Sept. Coal business developed from Hampton Roads to Japan at $7.50 f.i.d. for Aug.-Sept. Indian Government brokers confirmed a sulphur booking from Vancouver to India at $9 f.i.o. for Aug. and accepted a further vessel subject approval at $9.75.

OIL TANKERS—Fairly quiet in the single voyage sector. Socal took a 28,000-tonner from Persian Gulf to S. Africa on July 25 at Worldscale 60, while, in the West, a tonnage was fixed from Caribbeans to USNH on July 24 at W.70. In some sectors of the market there was moderate optimism that single voyage rates might begin to improve from August onwards. There was a reported fixture of a 60,000-tonner from Persian Gulf to the West, at end-July, at about W.60. Conoco took a 76,000-tonner for 3 years from early 1972 at the equivalent of W.78 and also a 92,000-tonner for a similar term from Oct.-Nov. this year at the equivalent of W.75.

COCONUT OIL

Dull and featureless, reports G. W. Joynson. Close: July £123-£127 (same), Sept. £123-£127 (same), Nov. £121-£127 (same), Jan. £120-£126 (same), March £119-£125 (same), May £118-£122 (same), July £117-£122 (same). Turnover 0 (0) lots of 20 tons each. Price basis ex-tank Rotterdam.

COFFEE

Soon after the opening call the posting of 116 original tenders prompted a sharp downward movement in the spot position. The rest of the board eased slightly in sympathy. Prices showed little change until the close when general buying found sellers reserved and values finished at the day's highs.

COFFEE	Yesterday's Close	+ or —	Business Done
	£ per ton		
July	366.0-6.5	—4.0	364.5-70.0
September	368.0 8.5	......	366.5-8.0
November	354.0-4.5	+1.0	352.5-4.0
January	348 5 9.0	+1.0	347.0-8.5
March	344.5-5.0	+1.0	343.5-4.0
May	342.5-3 0	+1.0	341.5-2.0
July	340.5 1.0	+1.0	339.0-40.0

Sales: 401 (133) lots of 5 tons each.

Latest published ICO indicator prices (U.S. cents per pound): Colombian Mild Arabicas 48.00 (47.75). Other milds 45.50 (same). Unwashed Arabicas 42.13 (same). Robustas 42.38 (42.22). Daily average 43.75 (43.69).

COTTON

Unchanged, reports Eccles and Stern. (New pence per kilo)

COTTON	Yesterday's Close	+ or —	Business Done
July	30.60-.80	......	—
October	30.40-.80	......	—
December	30.40-.80	......	—
March	30.40-.80	......	—
May	30.40-.80	......	—
July	unquoted	......	—

Turnover 0 (0) lots of 10,000 kilos each. Strict middling 1 1/16 inch. Pressley 78,000 lbs square inch micronaire 3.5-4.9.

LIVERPOOL—Spot and shipment sales amounted to 228 metric tons, bringing the total for the week to 1,267 tons, reports F. W. Tattersall. Scattered operations were recorded in Middle Eastern and South American qualities. Spinners recognised the continued advance in prices but were not prepared to put down extensive contracts.

RUBBER

UNCHANGED opening, small interest shown and market closed on easier note. Lewis and Peat reported a godown price of 99 Malayan cents a kilo (buyer, August).

Contract	Previous Day's Business	12.45p.m. Official prices	Closing buyers prices	Rise or fall
C.I.F.	p	p	p	p
August	not avail.	13.8-14.0	13.7	—0.1
Sept.	not avail.	14.05-.25	13.95	—0.15
Landed				
Spot	—	14.65-15.0	14.6	—0.05
August	—	14.75-.9	14.7	—0.05
Sept	—	15.1-.3	15.0	—0.1
Oct.	—	15.4-.6	15.3	—0.15
Oct.-Dec.	—	15.7-.8	15.6	—0.15
Jan.-Mar.	—	16 35 45	16.3	—0.05
Apr.-Jne.	—	17 05 .2	17.0	—0.1
July-Sept	—	17 6 .8	17.55	—0.1
Oct.-Dec.	—	18.05-.25	18.0	—0.1
Jan.-Mar.	—	18 4 6	18.35	—0.1
Apr.-Jne.	19.0	18 8-19.0	18.8	—0.05
July-Sept	—	19 05 .25	19.0	—0.1
Oct.-Dec.	—	19 35 .55	19.3	—0.1

* Nominal.

Malayan thick crepe Aug. 19.4 (seller), Sept. 19.4 (seller). Ceylon thick crepe Aug. 21.1.

GRAINS

THE BALTIC—U.S. transhipment corn met a fairly good buying inquiry from various U.K. ports but actual business was slow to develop. However, a small quantity traded for Aug. and Sept. shipment to South and East Coast ports. Other imported grains were dull with prices little changed.

Wheat: Canadian Manitoba No. 2 July 20-Aug. 10 transhipment £31.50 seller East Coast, Canadian Manitoba No. 3 unquoted, U.S. Red Winter No. 2 Aug. transhipment £28.15 seller East Coast, U.S. Hard Winter No. 2 13½ per cent. Aug. transhipment £30.05 seller East Coast. Australian f.a.q. Oct. transhipment free out £29.25 seller Tilbury, French Aug.-Sept. £26.50 East Coast quoted.

Maize: No. 3 Yellow American Aug. £27.95 seller Tilbury.

Barley: Canadian No. 2 Aug. £25.25 seller Avonmouth levy buyers account.

MARK LANE—Average sellers' quotations for prompt delivery London area: Wheat—Soft milling £28.50-£29.50 (New crop) Aug.-Sept. £24.00-£24.50 value; Semi-hard, Hard and Feed unq. Barley—Malting unq., Feed (new crop) prompt £24.00 value. Oats—Milling £28.00-£29.00; Aug.-Sept. (new crop) £23.00 value; Feed £27.00-£28.00.

LONDON HOME-GROWN FUTURES—Wheat, steady. Close: Sept. 23.925, Nov. 24.750, Jan. 25.750, March 26.600, May 27.050. Business: Sept. 23.900, Nov. 24.725, Jan. 25.725, May 27.025. Barley, steady. Close: Sept. 23.050, Nov. 24.000, Jan. 24.700, March 25.450, May 26.150. Business: Sept. 23.925, Nov. 24.000-23.925, Jan. 24.675-24.625, March 25.375.

HGCA—Guide prices for August and September delivery. Millable wheat £24.50 per ton ex-farm. Feeding barley £22.50 per ton ex-farm.

Location average ex-farm spot prices. Soft milling wheat—Hitchin £23.50. Feeding barley—No prices.

SOYABEAN OIL

Commission house bidding at the final call pushed values sharply higher without trading, reports G. W. Joynson.

Soyabean Oil	Yesterday's Close	+ or —	Business Done
	£'s decimal long ton		
July	139.5-41.0	+10.25	—
September	137.0-9.5	+8.75	—
November	132.0-4.5	+4.75	—
January	130.0-3.0	+5.0	—
March	126.0-30.0	+3.5	—
May	125.0-9.0	+7.5	—
July	125.0-9.0	+8.5	—

Turnover 0 (0) lots of 20 metric tons each. Price basis ex-tank Rotterdam.

SUGAR

LONDON DAILY PRICE—Unchanged at £43.20 a ton c.i.f. for July-Aug. shipment.

At the opening buyers were reluctant to bid the overnight levels, and with sellers dominant losses of 25-35 points were recorded, reports C. Czarnikow. A further 30 points were lost in the near positions before support became evident. From this point, however, prices edged upwards and some end-of-day short-covering took final quotations to within 5-15 points of the day's highs.

Sugar Pre. Comm. Con.	Yesterday's Close	Previous Day's Close	Business Done
	£ per ton		
Aug.	42.65-.70	42.50-.55	42.45 .85
Oct	42.80-.90	42.65-.70	42.60-43.15
Dec	42.90-.95	42.70-.75	42.70-43.15
Mar.	43.80-.85	43.6-.65	43.65-44.00
May	44.65-.9	43.65-.70	43.60-44.15
Aug	45.55-.70	45.40-.50	45.45-.55
Oct	45 45 60	45.3-.40	45.35-.50

Sales: 2,306 (1,255) lots of 50 tons each.

Tate and Lyle's ex-refinery prices for granulated in 1-cwt paper sacks was 54.16 (same) for home trade and £38.30 (same) per ton for export.

JUTE

DUNDEE—Quiet and unchanged. Offers c.i.f. U.K. for Aug.-Sept. shipment: PWB £155, PWC £146, PWD £138. Tossa: PTB £164, PTC £154, PTD £140. Calcutta goods steady. Quotations c. and f. U.K. for July shipment: 10-oz 40-inch £7.02, 7½-oz £5.14 per 100 yards; Aug. £6.84 and £5.24; Sept. £6.70 and £5.11. "B" twills £17.77, £17.99 and £18.19 for the respective shipment periods. Yarns and cloths quiet with prices steady.

LONDON—Quiet. PWC grade July-Aug. £147 seller, PWD grade July-Aug. £137 seller. A long ton

CALCUTTA—Easy. Indian spot Rs.363 value. Dundee Daisee spot Rs.350 value. A bale of 400 lbs.

SUNFLOWER OIL

Values narrowed with slightly better interest on both sides of the market although again tradeless, reports G. W. Joynson.

Sunflower Oil	Yesterday's Close	+ or —	Business Done
	£'s per long ton		
July	160.0-70.0	—0.5	—
September	159.0-70.0	—1.0	—
November	159.0-68.0	—2.0	—
January	157.0-66.0	......	—
March	152.0-65 0	—1.5	—
May	147.0-63.0	—1.5	—
July	147.0-62 0	—1.0	—

Turnover 0 (0) lots of 20 metric tons each. Price basis ex-tank Rotterdam.

WOOL FUTURES

MERINOS—Market lacked interest, reports Bache.

(New pence per kilo)

Dry-combed wooltops	Yesterday's Close	+ or —	Business Done
July	—	......	—
October	80.0-2.0	+0.25	—
December	83.0-3.8	+0.4	—
March	84.0-4.8	+0.4	—
May	84.0-5.3	+0.15	—
July	85.0-6.0	+0.75	—
October	85.5-6.5	+0.5	—
December	86.0 7.0	+0.25	—

Turnover 8 (0) lots of 2,250 kilos.

SYDNEY—Steady. Close: July 58.5-59.0, Oct. 63.0-63.2, Dec. 64.0-64.5, March 66.3-66.4, May 67.2-67.4, July 68.5-68.7, Oct. 69.2-69.4.

MEAT/VEGETABLES

SMITHFIELD—Beef: Scottish killed sides 18.5p to 20.8p. Ulster hindquarters 24.2p to 25.0p, forequarters 13.5p to 14.2p, Eire hindquarters 24.2p to 24.6p, forequarters 13.3p to 14.2p, Argentine chilled boneless cuts: strip loins 35.0p to 39.2p, rumps 30.0p to 33.3p, top sides 27.5p to 30.0p, silversides 25.8p to 26.3p, thicks 25.5p to 27.5p, ponies 16.7p to 17.5p.

Lamb: English medium 15.8p to 20.0p, heavy 15.0p to 16.7p, Scottish medium 15.8p to 19.2p, heavy 15.0p to 16.7p, Eire 14.2p to 17.5p, Imported frozen: N.Z. D's 13.1p to 14.2p, 2's 12.5p to 13.3p, 8's 12.1p to 12.5p, YL's 11.9p to 13.0p, YM's 12.3p to 13.0p.

Pork: English, under 100 lbs 10.0p to 14.2p, 100-120 lbs 10.0p to 13.5p, 120-160 lbs 11.0p to 12.9p, 160-180 lbs 10.4p to 11.7p, 180 lbs and over 10.0p to 10.8, Eire, all weights, 11.7p.

COVENT GARDEN—Imported produce: Grapefruit—South African 32 £2.20-£2.25, 36 £2.25-£2.30, 40 £2.40-£2.45, 48 £2.65-£2.70, 56 £2.55-£2.60, 64 £2.45-£2.50; Israeli: Jaffa 32 £2.50. Oranges—Brazilian: £1.60; Israeli: Valencia Lates £1.35; South African: 56/150 £1.60-£1.80; Californian: 88/113 £1.50-£1.75. Lemons—Italian: 100/120 £2.30-£2.65; South African: £2.25-£2.75. Melons—Israeli: Ogen £1.60-£2.00, yellow £1.80; Spanish: yellow £0.70-£1.10; French: Charentais £1.30-£1.40. Water melons—Spanish: £1.60; Greek £0.90-£1.00. Grapes—Belgian: Royal per lb £0.25-£0.30; Cypriot: Sultana £0.10, Cardinal £0.09. Apples—New Zealand: Rome Beauty £2.60-£2.90; Granny Smith £2.50-£2.80; Tasmanian: Jonathans £2.50-£2.60, Sturmers £3.10, Geeveston Fanny £3.00, Granny Smith £3.10, Crofton £2.70, Golden Delicious £2.80; West Australian: Granny Smith £3.20.

English produce: Cabbage—crate £0.50-£0.60. Lettuce—round, 24's £0.60, cos 12's £0.40-£0.45. Potatoes—new crop £0.50-£0.60. Mushrooms—per lb £0.20. Cucumbers—per tray 12/18's £0.70-£0.80. Cauliflowers—12's £0.60-£0.65. Tomatoes—per lb £0.09-£0.10. Celery—12/30's £0.55. Beans—Worthing, per lb £.20. Broad beans—£0.03. Runner beans—£0.07-£0.10. Peas—per bag, approx. 30 lbs £0.40-£0.60. Carrots—28 lb bag £0.50-£0.60. Beetroot—per bag £0.50. Spring onions—per tray 20 bunches £0.50. Courgettes—per lb £0.05. Strawberries—per lb £0.10-£0.15. Gooseberries—per lb £0.05. Levellers £0.05-£0.09. Cherries—per lb £0.05-£0.10. Blackcurrants—per lb £0.12-£0.15. Raspberries £0.10-£0.15.

★

COPRA—Philippines/Indonesian: July $195, Aug. $197, Sept. $200, Oct. $201 resellers.

★

GRIMSBY FISH—Fair supply and good demand. Prices per stone: Shelf cod 85p-£1.20, large haddocks £1.40, small plaice £1.50, codlings 80p, coalfish 50p-63p, catfish 70p.

PRICE CHANGES

Prices per ton unless otherwise stated.

	July 22 1971	+ or —	Month ago
Metals			
Aluminium (a) (x)	£257.20	......	£257.2
Copper			
Cash Wire Bars (x)	£445.5	—1.25	£459.25
3 months do. do. (x)	£455.5	—1.25	£470.25
Cash Cathodes (x)	£434	—2.5	£449.25
3 months do. do. (x)	£444.5	—2.25	£460.75
Gold Troy ozs.	$41.90	+0.65	$40.30
Lead, Cash (x)	£108.875	—.5	£111.875
3 months (x)	£111.375	—0.25	£114.625
Nickel (x)	£1,246.5	......	£1,246.5
Platinum (b) troy oz.	£50	......	£50
Freemarket	£45½-9½	......	£43-47
Quicksilver (76 lbs.)	£212	......	£212
Silver Troy oz.	64.4p	+0.6	66.3p
3 months	65.7p	+0.6	67.8p
Tin, Cash (x)	£1,433	—5	£1,447
3 months (x)	£1,450	—5.5	£1,456.5
Wolfram 22.04 lb cif	£18½-19¾	—0.625	£22¼-3¼
Zinc, Cash (x)	£135 375	+.25	£131.625
3 months (x)	£138 125	+.25	£134.125
Producers (x)	£150	......	£150
Oils			
Coconut, Malayan	£143 (m)	—4	£135
Groundnut			
5.5%	†£180(r)	......	£185
Linseed Crude	†£110 (r)	......	£106
Palm-Malayan	‡	......	£108
Soyabean x	†$340(t)	+5	$314
Seeds			
Copra, Philipp. ton	†$197.0	+2½	$201½
Gr'ndnuts Niger'n	†£165 v	......	‡
Linseed Crude No. 1	†£48.30 q	......	£48.95
Grains			
Barley			
Can No. 2	£25.25	......	£27.45
Home Futures	£24	+0.125	£24.55
Maize			
No. 3 Yellow Am.	£27.95	—0.25	£30.60
S.A. Yellow Flint	‡	......	‡
Wheat			
No. 2 Manitoba	£31.50	—0.25	£32.10
No. 2 Hard Winter	£30.05	—0.15	£31.70
Australian	£29.25	......	£29.25
English Milling	£24-½	......	£29-½
Cocoa Shipmt (x)	£243.50	......	£227.50
futures Sept.	£235.75	......	£232.75
Coffee Shipment (c)	38.00	......	39.25
futures Sept.	£368 25	......	£366.25
Cotton Liverpool cif index cents per lb.	340.5	+0.25	33.30
Jute LJA PWC	†£147(j)	......	£152
Rubber Kilo	14.6p	—0.05	15.7p
Sisal EA 3L (x)	£78-79	......	£78-79
Sugar	£42.30	......	£43.30
Wooltops 64s Kilo	90p	......	90p
Cloves	19½p	......	79½p
Pepper White ton	£450	......	£455
„ Black ton	£360	......	£365

* Nominal. † Seller. ‡ Unquoted. § Unofficial close. ♣ Indicative price. a Canadian delivered. U.K. U.K. and Commonwealth refined. c Uganda Robusta grade 10 unwashed f.o.b. Mombasa cents a pound. d Pakistan white "C." w Ex-warehouse. x C.i.f. U.K. u Metric tons. r July. i Aug. s June-July. y Sept. k May-July. j July-Aug. m Aug.-Sept. q Oct.-Nov. o Nov.-Dec. p Sept.-Oct. z Jan.-Feb. n Dec. h Dec.-Jan. v Feb.-Mar.

INDICES

FINANCIAL TIMES

July 22	July 21	Month ago	Year ago
85.64	85.16	85.87	88.89

(Base, July 1, 1952=100)

REUTER'S

July 22	July 21	Month ago	Year ago
521.7	522.1	528.6	576.1

(Base, Sept. 18, 1931=100)

DOW JONES

Dow Jones	July 22	July 21	Month ago	Year ago
Spot	140.89	141.03	144.24	141 38
Futures	144.62	143.72	146.74	137.13

(Average 1924-25-26=100)

MOODY'S

Moody's	July 22	July 21	Month ago	Year ago
Sple Commod'y	367.0	369.0	381.7	408.4

(Dec. 31, 1931=100)

U.S. Markets

NEW YORK, July 22.

COTTON firmed with the return to dry weather in the high plains area of Texas. The strength of gold prompted short-covering in silver. Pending exports firmed the soyabean complex. Evening-up prior to the stock position report unsettled corn and wheat. But the report was very constructive for soyabean prices, Bache reports.

Cocoa—Bahia spot 27¼ (same). Ghana spot 25¼ (same). Sept. 25.55 (25.52), Dec. 25.34 (25.31), March 25.63, May 25.98, July 26.29, Sept. 26.60. Sales, 250.

Coffee—Santos No. 2/3 unquoted (same). Santos No. 4 unquoted (same). Colombian Mams 47.75 asked (same).

Copper—Sept. 49.65 (49.35), Oct. 49.75 (49.40), Dec. 49.85, Jan. 50.05 settlements. Sales, 627 lots.

Cotton—Contract No. 1 Aug. 24.00 bid (same), Nov. 22.00 nom. (same), Jan. 22.00 bid, April 22.00 nom., June 22.00 nom. Contract No. 2 Oct. 31.40 (30.56), Dec. 32.04-32.13 (31.16-31.19), March 32.90-32.95, May 33.28-33.32, July 33.25, Oct. 31.93 bid, Dec. 31.00.

§‡Cottonseed Oil—Sept. 17.40 bid (17.08 bid), Oct. 17.00 bid (16.60 bid), Dec. 16.65 bid, Jan. 16.95 bid, March 16.95 bid, May 16.95 bid, July 16.95 bid, Sept. 16.95 bid. Sales, nil.

Φ Greasewool—Spot. 51.0 nom. (50.0 nom.), Oct. 57.0-58.0 (55.5-57.0), Dec. 61.1-62.0 (60.0-61.0), March 66.5-67.1, May 68.5-69.0, July 70.0-70.3, Oct. 71.8-72.6, Dec. 73.5.

†Lard — Chicago loose 12 asked (12 nom.) N.Y. drummed 15 asked (15 nom.).

††Maize—Sept. 140½-140¾ (140¾-141½), Dec. 135¾ (136¼-136), March 139¾-139½, May 142¼, July 143½-144.

‡Mercury—Sept. 380 (same), Dec. 380 (same), March 380, May 380, July 380, Sept. 380, Dec. 380 settlements. Sales, nil.

‡‡Silver—Spot 157.50 (155.70). July 157.20 (155.40), Aug. 157.40 (155.60), Sept. 158.40, Dec. 161.90, Jan. 163.20, March 165.60, May 168.00, July 170.40, Sept. 172.80 settlements. Sales, 1,803.

*Soyabeans—Aug. 347½-347¼ (344¼-344½), Sept. 345½-346 (342½-342¾), Nov. 337½-337¼, Jan. 340¼-340½, March 344-344½, May 346½, July 346½-346¾.

bSoyabean Meal—Aug. 88.70-88.60 (87.70-87.75), Sept. 87.65-87.60 (86.65-86.55), Oct. 84.75-84.70, Nov. 84.15, Dec. 84.10, Jan. 83.95, March 84.65-84.70, May 85.50, July 86.20.

Soyabean Oil—Aug. 15.10-15.06 (14.53-14.51), Sept. 14.56-14.58 (14.17-14.15), Oct. 14.15-14.16, Nov. 13.69, Dec. 13.54-13.55, Jan. 13.41, March 13.28-13.29, May 13.14, July 12.91-13.00.

Sugar—Contract No. 11 Spot 4.20 (4.17), Sept. 4.22 (4.26), Oct. 4.24-4.23 (4.26), Jan. 4.35 nom., March 4.40-4.36, May 4.39, July 4.39-4.40, Sept. 4.39 asked, Oct. 4.37 asked. Sales, 1,100.

Tin—165.75 asked (166.00 asked).

**Wheat—Sept. 152½-152¾ (152¼-152½), Dec. 155¾-155½ (156-156¼), March 157¾-157¼, May 156¼-156.

WINNIPEG, July 22—¶Rye—July 105¼ bid (same), Oct. 107¼ asked (107½), Dec. 106¼ asked, May 108¼.

¶Oats—July 75 bid (76¼ bid), Oct. 73¾ asked (74½), Dec. 73¾ asked, May 74¾ asked.

§Barley—July 112¼ (116), Oct. 112¼-112¾ (115 asked), Dec. 110¼ asked, May 114¾ asked.

¶Flaxseed—July 242¼ (243¾ bid), Oct. 247¾ bid (248¼), Nov. 247¼ asked, Dec. 247¼ asked, May 257.

Wheat—Northern Manitoba No. 2 181¼ (181¾).

All cents per pound ex-warehouse unless otherwise stated. * Cents per 60-lb bushel ex-warehouse. † Chicago loose $'s per 100 lbs—Dept. of Ag. prices previous day. Drummed $'s per 10 lbs f.o.b. N.Y. ‡ $'s per 76-lb flask ex-warehouse. ** Cents per 56-lb bushel ex-warehouse. ¶ Cents per 60-lb bushel in store. †† Cents per 56-lb bushel. 5,000-bushel lots. ‡‡ Cents per troy ounce ex-warehouse. b $'s per short ton f.o.b. cars Decatur. c Cents per 45-lb bushel. d Cents per 56-lb bushel ex-warehouse. 1,000-bushel lots. §§ Basis Lubbock, Texas. ♣ New contract.

THE FINANCIAL TIMES, published daily except Sundays and holidays. U.S. subscriptions $110 (air freight $194 (air mail) per annum. Second class postage paid at New York, N.Y.

PUBLIC NOTICES

CITY OF BIRMINGHAM 3½% STOCK 1970/72

NOTICE IS HEREBY GIVEN that the STOCK REGISTER will be CLOSED from 1st August to 31st August, both dates inclusive, for the preparation of interest due 1st September 1971.

F. STEPHENSON, Treasurer of the City.

Council House, BIRMINGHAM, B3 3AB.

15th July 1971.

هكذا من الأصل

هكذا من الأصل

American News

U.S. steel company shutdown

NEW YORK, July 22.

FAILURE in its attempt to circumvent a possible national steel strike has led Wheeling-Pittsburgh, the ninth largest steel company in the U.S., to begin a shutdown of its operations more than a week before the strike deadline arrives.

Earlier this year, the company decided to opt out of the national steel negotiations between industry leaders and the United Steelworkers Union and aim instead at an individual solution that would not result in a shutdown *whatever the outcome* of the talks. It asked the union to extend its labour contract beyond August, the strike deadline, on the understanding that when and if the striking union reached an agreement with the managements of the major companies over wages *for* the next three years, it would abide by their terms. The union has granted similar request from other small steel manufacturers, but yesterday turned down Wheeling-Pittsburgh. Now the company has reacted by initiating a run-down of its plants well before the national strike has become a certainty.

Evidence

The move does not appear to bode well for the company's labour relations. But while some observers have taken the incident as an example of union miltancy, it does not have great bearing on the progress in the main talks which are taking place in Washington.

The Wheeling management clearly anticipates a strike, but there is so far little other evidence that the talks are going particularly badly. The union has insisted in the past that it will *not* accept anything under the settlement negotiated for the aluminium industry earlier this year, which gave workers an increase over three years of 31 per cent. The only fresh precedent that has been established since then is the beginnings of a settlement in the copper strike in which the union, also the United Steelworkers, has apparently achieved something closer to 33 per cent. complete with an unlimited cost of living escalator.

U.S. Treasury issues first long-term bond since 1965

BY GUY DE JONQUIERES

WASHINGTON, July 22.

THE U.S. Treasury has decided to offer its first long-term bond issue in more than six years. The bond, which will be available to the general public, will run for ten years and will bear a nominal interest rate of 7 per cent.

This offering is the result of an understanding reached with Congress earlier this year which permits the Treasury to sell up to \$10,000m. of long-term bonds bearing interest rates higher than the 4.25 per cent. ceiling set by a Statute that has been in force since 1918.

The last time the Treasury made a long-term bond issue was in May, 1965. Since then, the statutory ceiling has prevented them making offerings competitive in the longer end of the market, where rates have risen steadily.

The new issue will be denominated in units of \$1,000 and will be offered at a small discount, at \$992, to bear an effective interest rate of 7.11 per cent. It was implicit in the understanding with Congress that future long-term bond issues should be made available to private investors as well as to institutions.

Borrowing plans

Nevertheless, the Treasury does not expect that there will be an enormous demand for the issue. Indeed, anxious less it cause an outflow of private capital *from savings accounts* and building societies, officials are being rather cautious about pushing it on to the public.

The long-term bond is a part of the new borrowing plans announced by the Treasury to meet the budget deficit during fiscal 1972, which opened on July 1, and which has been estimated *at more than* \$16,000m.

Holders of \$5,100m. of securities maturing on August 15 will be offered a choice between exchanging them for the new long-term bonds or for notes with a 51-month maturity, which are also priced to yield about 7 per cent. The Treasury also plans to raise about \$1,000m. by auctioning short-term notes next month.

The Under-Secretary for Monetary Affairs, Mr. Paul Volcker, also said that the *Treasury will have* to make a new cash borrowing of between \$2,500m. and \$3,000m. sometime in early September, with the need for further "fairly sizeable amounts" in October and November.

Penn Central shows smaller losses

BY JUREK MARTIN

NEW YORK, July 22.

THE BANKRUPT Penn Central Transportation Company suffered its smallest operating loss for a single month in June since it declared insolvency just over a year ago. The deficit of \$1.8m. compares with a loss of \$26.4m. in the same month last year (subsequently widened to over \$43m. by a special \$17m. write-off).

The four court-appointed trustees who are managing the affairs of the insolvent railroad also announced that the line's cash position had actually improved by \$17.4m. in June and added that if all went reasonably well there was a good chance that additional outside funds would not be needed for the rest of the year.

Clearly this position could change if Penn Central's revenues are hit by either a steel strike (which now appears more likely than not) or by an extension of the currently limited strike against two other railways. *But the mere* fact that the trustees were able to hold out such optimism for the rest of the year has come as something of a welcome surprise among observers who were convinced that a further Federal loan guarantee would be needed within the next month or two to supplement the \$100m. already advanced.

Of course, the improvement in June does not put much of a better face on half-yearly results that remain, by any standards, *absolutely disastrous*. For the six months of the year to date, Penn Central's operating losses come to \$128m. better than the \$149m. of the same period last year, but scarcely glittering.

Revenues for the first six months rose by \$86.2m. to \$796.7m. and in June alone by \$19.4m. to \$147.7m. and, to a lesser extent, May cash receipts were rather greater than the railway had *expected*.

The accounts the trustees presented do include provisions for payment of certain obligations that the railway is not currently making because of its bankruptcy. They have been drawn up (and approved by the Federal judge overseeing Penn Central's affairs) with the assistance of Peat Marwick and Mitchell, the accountants, even though the trustees have criticised Peat Marwick for what they allege was the firm's habit in pre-bankruptcy days of putting the best conceivable face on some fairly unpalatable figures. Peat Marwick, however, is ultimately being replaced by the firm of Haskins Sells.

AIR CANADA STRIKE ENDS

By Our Own Correspondent

OTTAWA, July 22.

Air Canada services were expected to return to normal *to-day* after an early morning agreement between the company and union officials representing machinists and ground personnel. The union staged its second rotating 24-hour strike on Wednesday afternoon at Montreal international airport but only seven flights had to be cancelled as supervisory and white collar company employees performed baggage and other duties.

GE cuts workforce by 7,000

By Nicholas Colchester

NEW YORK, July 22.

THE depressing level of unemployment in the U.S. aerospace industry was made worse *when General Electric* announced that it was going to cut the workforce in its aircraft engine division by one quarter. As a result, over 7,000 people will be put out of work.

The drastic cut-back has resulted from the cancellation of the supersonic transport project, for which GE was building the jet engines, and from the slack state of spending in the military and civil aviation sectors. When the SST was killed in March General Electric immediately announced that it would have to eliminate 1,600 jobs—mainly at its largest engine plant at Evendale in Ohio. But the announcement was carefully phrased in terms of jobs rather than people and the hope was that the company would be able to redeploy *those who had* been put out of work. Yesterday GE did not mince its words—it is 7,000 people, not jobs, who will be going, between now and early next year.

General Electric explained that it had been relying on orders from *the civil aviation* industry to make up for the gradual run-down in defence spending but that this had proved a false hope. The Evendale plant also manufactures the CF6 engine which propels the Douglas DC-10 wide-bodied jets, and though this aircraft has suffered fewer traumas than its rival, the Lockheed L-1011, it is not selling nearly well enough for GE.

U.S. FOREIGN AFFAIRS

Decisions must be taken

BY JOHN GRAHAM, US. EDITOR

ONE OF THE CLICHES about Richard Nixon, that he is a foreign affairs man, more interested in America's international relations than in *particular domestic problems*, is being borne out strongly at the moment. Of course his forthcoming visit to China has dominated newspapers and conversations for the last week, but even apart from this there is an extraordinary degree of activity in foreign policy just now. Some decisions of the highest importance will be taken in Washington before the end of the year.

The problems and activity are all the more noticeable for the lack of action or movement on domestic issues. The US Administration has decided to do nothing about the economy; measures such as the British Chancellor's tax cuts have been specifically ruled out. Mr. Nixon's revolutionary "New Federalism" is hanging fire, with the different parts of it trudging in emasculated form through the legislative process. Existing policies are to be given more time to work; nothing startling need be expected.

But in the State Department and the Pentagon and those offices of the White House which deal with the world as a whole, there is more than enough turmoil to take up the slack. The following list of active items on the global agenda is not necessarily complete.

CHINA AND VIETNAM: The Administration has been at pains ever since the President's broadcast last week to play down any speculation that his visit to Peking may accelerate the end of the Vietnam war. The *obvious reason for this is* that secrecy must be maintained, especially when dealing with the Chinese. The reasoning is simple: if the speculation is false, it must be discouraged; if it is true, it must also be discouraged, since the public *expression of it will tend to* invalidate it.

Yet there can be no reasonable doubt that the Administration believes the Chinese may be able to play a crucial role in the next stages of the disengagement from Vietnam. No other proof is needed but the presence in Peking with Dr. Kissinger of one of his staff, Mr. Smysler, who is an expert on Vietnam and on nothing else.

CHINA AND JAPAN: More speculative is a theory starting to go the rounds in Washington that one of the reasons for China's willingness to start to do business with the U.S. is not so much the Chinese fear of Russia, but their fear of Japan. Obviously the Chinese are in an awkward position, caught between Russia and Japan. Both countries are considerably more powerful than China, and neither is traditionally an ally.

The Chinese have *already had* a taste of the Russians' attitude towards them, since the border troubles and the Soviet military build-up in the east. According to the current theory they may now be trying to forestall a similar confrontation with Japan, should Japan ever decide, or be forced, to re-arm. Re-arming would mean going nuclear, and technical specialists in Washington believe that the Japanese could develop an important nuclear arsenal in a very few years if they decided to.

Obstructive

Economically this would be relatively easy, since Japan's defence spending at present is only about one per cent. of GNP. *The question is made more relevant* by the American withdrawal from Asia and by the Okinawa Agreement. The American nuclear arsenal is to be taken out of Okinawa, when control of the island is returned to Japan, and where it will go is still an open question. The Okinawa treaty goes to the Senate for ratification later this year, and the Administration is lobbying hard against obstruction.

JAPAN (Economic): The possibility of obstructiveness exists because of America's other problems with Japan, mostly to do with trade and international finance. Serious disagreement has marred U.S.-Japanese dealings for some time, but it is if anything becoming more intense. The Americans, under the direction of Mr. John Connally, the Secretary of the Treasury, are complaining more and more about Japan's trade surplus with the U.S., now running at an annual rate of \$2,000m. The Treasury has been taking a lot of anti-dumping action, one prominent example of which was against Japanese television sets, but the Japanese commercial invasion continues faster than ever.

*It is tied in with the under*valuation of the yen, which has bothered the Treasury and the Federal Reserve for some time; this is likely to be a major talking-point at the IMF meeting in Washington in September, and *with America's* overall trade balance deteriorating and the dollar again touching bottom in European financial markets, considerable pressure can be expected.

LATIN AMERICA: Just as new policies, or at least new negotiating *methods, are needed for* Japan, so they are needed for South America. To a certain extent there is nothing the US can do to solve its problems in the southern continent, but these problems are multiplying. There is President Allende in Chile and *his nationalisation of American* businesses. There is talk of bauxite expropriations in Guyana. There is the Oil Reversion Bill in Venezuela. There is the active dispute with the Brazilians over their claim to 200 miles of territorial waters, and the re*sulting refusal of the U.S* Congress to extend the international coffee agreement. Latin America has been neglected for years in American foreign policy, as being in a backwater rather than in the mainstream, and the quality of the Latin American specialists *in the Government is inferior to* that of Asian or European specialists.

MIDDLE EAST: This is not at all the case in the Middle East, which has received the attentions of some of America's best diplomats for years. The *Administration is trying again to* resolve the stalemate over reopening the Suez Canal. Mr. Sisco, Assistant Secretary of State for the Middle East, is about to go to the area, following last month's efforts in Cairo. The White House is anxious ab[…] recent aircraft deliveries by t[…] Russians to the UAR, but it […] been more hindered in its effo[…] to get an interim solution by […] Soviet-Egyptian treaty, whi[…] effectively halted the admitted[…] painfully slow progres that w[…] being made.

RELATIONS WITH DICTATORSHIPS: One innovation […] the Nixon Administration is […] almost total lack of embarra[…]ment *at dealing publicly* w[…] dictatorships of the Spani[…] Greek-Pakistani sort. Previ[…] administrations perfunctor[…] condemned the iniquities of su[…] military juntas while doing lit[…] or nothing to correct them; […] Nixon Administration, true to […] self-professed pragmatism, has […] ideological hang-ups of t[…] nature. One can cite […] rapprochement with Sp[…] especially.

But there has been a twist […] this in the last week, not of […] Administration's making. A C[…]gressional amendment appe[…] likely to be passed, wh[…] would forbid military aid […] military sales to Greece […] Pakistan unless the Presid[…] declared an overriding requ[…]ment for American secur[…] More than \$115m in milit[…] aid for Greece, and the sa[…] amount in economic aid […] Pakistan, requested by the Wh[…] House, was removed from […] Bill.

Rubber stamp

This happened, of all pla[…] in the House foreign affairs c[…]mittee, which has always b[…] nothing more than a rub[…] stamp for such Penta[…] requests in the past.

The White House is extrem[…] anxious to get both these […]visions reversed. Mr Laird […] Mr. Rogers and the ambassa[…] to Greece are all going to tes[…] in closed session on the urg[…] need for American aid to Gre[…] and Pakistan These may […] small issues in a global cont[…] but they are just two more ar[…] where the White House is be[…] forced by the accidents of hist[…] or the actions of others int[…] review of foreign policy.

Chile–Argentina dispute

BY HUGH O'SHAUGHNESSY, LATIN AMERICA CORRESPONDENT

BRITAIN yesterday succeeded in *defusing a potentially dangerous* border dispute between Chile and Argentina and paved the way for a meeting soon between Dr. Salvador Allende and the Argentine President General Alejandro Lanusse. Five judges of the International Court of Justice are to advise Britain, as arbitrator, about the ownership of Nueva, Lennox and Picton, three islands in the Beagle Channel south of Tierra del Fuego which are administered by *Chile* but claimed by Argentina.

Britain reserves the right to accept or reject the finding of the five judges. The Beagle Channel has been a point of friction between the two countries *for* nearly a century and there have been diplomatic clashes about the two countries' naval activities in the Channel on numerous occasions.

Schumann to visit Quebe[c]

BY OUR OWN CORRESPONDENT

OTTAWA, July 2[2]

PRIME MINISTER Pierre Trudeau will pay an unofficial visit to the French islands of St. Pierre and Miquelon next month but not immediate plan for him to go to China this autumn. The visit to French territory will come during a ten-day tour of the Canadian maritime provinces.

The trip could be a prelude to closer ties between France and Canada.

It was announced to-day that French Foreign Minister M. Maurice Schumann will pay […] official visit to Canada in […] autumn. He will be in Ott[…] for two days and will make […] official visit to Quebec.

Mr. Trudeau has already b[…] invited to China but is […] expected to go until next spr[…] However, Conservative Opp[…]tion leader Mr. Robert Stanf[…] is visiting Peking now at […] invitation of the Chinese Gov[…]ment.

Export News

Attack on cut in mission support

By David Curry

SHARP attack on the Govern-nt's decision to cut the funds ailable for export promotion s come from Mr. C. H. Jordan, esident of the Hardware Manu-cturers' Association, in his July wsletter. He writes that the inkage of funds to support ssions and the winding up of 'EC was difficult to understand a time when the Government s preaching that companies uld think of sales in interna-nal terms.

n January the Association in junction with Universal Ex-itions and BNEC had brought resentatives of 24 hardware ving organisations to London the International Hardware ides Fair. Orders worth everal million pounds" were ected to result.

urtail

Because of the cut in mission sidies the plan to sponsor 24 nerican hardware dealers in a ndon trip had had to be cur-ed and only 10 buyers from ifornia and Canada could be ught over.

This is at a time when we being persuaded to inter-ionalise our thinking, particu-ly towards Europe and the C." he comments.

Some relevance of govern-ntal expenditure may be wn from the fact that U.K. orts in 1970 ran at an ap-ximate level of £8,000m. and analysis of costs by some of larger companies shows that ir export selling costs were ning at 10 per cent. of this l—£800m.

The total budget of BNEC porting several hundred over-s selling missions, inward ing missions and market veys, of the type that we have beneficially used in the hard-e industry, came to approxi-ely £5m. When this is pared with Corporation Tax 42½ per cent. on the profits n these £8,000m. exports, one s in reality, how little both and past governments have ported the export drive.

To demolish a successful anisation which, whatever its lts, was achieving a great deal British industry in the ort field, without being able replace it with something e tangible than just a name ritish Export Board—demon-tes a lack of forethought and ning which is strange from government dedicated to adening the horizons of our iness thinking." Mr. Jordan lares.

Samples of McVitie's biscuits being offered for tasting in a Japanese store. The Japanese preferred the cream sandwich and better quality plain biscuit, being less enthusiastic than the British about violent artificial colouring and very sweet mixtures. Last year Japan produced some 275,000 tons of biscuits worth £75m., and consumption ran at 6.1 lbs per head, compared with 22.6 lbs per head in this country.

United Biscuits goes for the Japanese mass market

BY DAVID CURRY, EXPORTS EDITOR

A 12-MONTH test marketing operation about to be conducted by the British biscuit-making giant, United Biscuits, and the largest confectionery manufacturer in Japan, Meiji Seika Kaisha, is expected to lead to the large scale manufacture of British biscuits in Japan.

United Biscuits and Meiji have exchanged Letters of Intent to run the test marketing operation with a view to a future local manufacture tie-up between the two companies. The test will involve the sale in Japan over the next 12 months of British-made McVitie's biscuits and cakes at the price at which they would be sold if they were made locally in Japan.

Joint venture

Heavy shipping costs and a 40 per cent. import tariff, mean that a packet of McVitie's Digestive currently sell at about 250 yen, compared with about 100 yen for locally produced products.

The test mbarketing operation will take place in three areas and will be supported by differing levels of promotional activity in each area. The McVitie's products will be sold at various special prices to test consumer reaction to differing price levels.

Depending on the results of the test the plan is that Meiji and UB will set up a 50/50 controlled marketing organisation in Japan which will obtain its supplies of McVitie's biscuits partly from the U.K., but principally for Meiji's own British-equipped factory in Japan which uses baking machinery identical to that used in UB's own U.K. factories (supplied by Baker Perkins).

UB will provide the recipes and technical know-how and impose a strict quality control to ensure that the Japanese-made product will not fall below the present McVitie's standard. The joint venture will continue to obtain its supplies of tinned assortments, which sell well in the Far East, from the U.K. factories of UB. It is intended that production will start about the beginning of 1973.

Brand-name

The jointly produced biscuits will retain the traditional packaging, labelling and brand-names.

Heavy import tariffs and stringent labelling and ingredient regulations, have made it obvious to British biscuit exporters that an arrangement such as that projected by UB is, in the long term, the only answer for any company aiming at large scale penetration of the massive Japanese market.

While packet biscuits continue to sell at prices which put them in the speciality category, no British-made packet biscuit can hope to make real inroads into the mass market.

If this new venture is successful it will be the first of its kind between a British and a Japanese biscuit company.

The losses involved in marketing the "test" biscuits at popular prices will be attributed to the new company.

£½m. orders for Hungary and Romania

CONTRACTS worth £500,000 for the manufacture of heat exchangers and pressure vessels to be incorporated in two ammonia production plants to be built in Hungary and Romania, has been won by **International Combustion, of Derby.**

International Combustion will supply steam-separating vessels suitable for steam separating efficiency of 99.9 per cent. The heat exchangers will be supplied in lengths of up to 45 feet with diameters ranging from 25 inches to 58 inches. Their tube and shell side pressures range up to maximums of 2,400 P.S.I. and 1,700 P.S.I. respectively.

WEISSENBERG RHEOGONIOMETER

Sangamo Controls of Bognor Regis, has won a £16,000 order from Russia for two of the most comprehensively equipped Weissenberg Rheogoniometer models available, complete with twin drives and high and low temperature devices. This follows an earlier £42,000 Russian order, the largest single Rheo order received by Sangamo from any source, placed in 1969.

With further Russian orders still being negotiated, six Rheos, worth about £40,000, have this year been delivered to Japan, four more to Germany, and others to the U.S., Australia, Holland, Czechoslovakia, and Italy.

Sangamo Controls is a subsidiary of Sangamo Weston, Enfield.

An order worth £100,000 for a rotogravure printing press has been won by **James Halley and Sons, of West Bromwich.** The press has been ordered by **Paul Dumas,** of Paris, one of France's leading wallpaper manufacturers.

Dealing with Eastern Europe

Concern over trade balance at Moscow machine tool show

BRITAIN yesterday opened its first exhibition of machine tools in the Soviet Union amid what a British official described as serious concern over thetrade situation between the two countries.

The exhibition, featuring advanced equipment worth £1m. from 43 companys was opened by Mr. Nicholas Ridley, Parliamentary Under-Secretary for Trade and Industry.

Unsatisfactory

Exhibition officials singled out numerically controlled machinery as likely to attract keen Soviet interest.

Commenting on the overall Soviet-British trade picture, the an Embassy First Secretary, Mr. David Ratford said before the opening ceremony that total British exports to Russia this year were likely to fall below "even last year's unsatisfactory level."

While British imports from the Soviet Union had risen by over 25 per cent. in the past two years, Soviet imports from Britain had declined, he said.

U.K. experts said earlier this month that exports to Russia would total £98m. this year if present trends continued—a drop of £4m. on 1970. Last year the balance of trade between the two countries was £118m. in Russia's favour.

Mr. Ratford said British export successes in other, highly competitive markets disproved assertions that the decline in British exports to Russia was due to uncompetitive products.

Independent British initiatives like the current exhibition were "clear evidence of the desire of important sections of British industry to do business here," he added.

Motor projects

In the early part of the 1960s, exports of British machine tools to the USSR amounted to about £2m. annually. By the late 1960s the position had changed as the result of the orders placed in connection with the Tolyatti and Moskvich motor vehicle projects. During 1969 and 1970, exports averaged £10m which put the USSR firmly in first place in Britain's most important single machine tool market.

Labelling agreement

THE Nottingham company P. P. Payne, part of the Norcros group, has signed a £50,000 package deal to sell printing label machines and technical know-how to Japan. The deal will enable the Japanese company to switch from woven labels to printed fabric labels. Payne will supply it with ink for the process.

Mr. Roy Frost, director of Payne's Labelling Products Division, said that contracts to supply Elegant printed label machines to companies in Mexico, Brazil and India would be signed soon.

The Barnsley car accessory manufacturer Ceag has broken into the Japanese market with an initial sale of 1,500 Lumax fog and spot lamps to a Japanese importer. The deal is worth about £7,500.

CBI seeks closer ties with Brazil

THE Confederation of British Industry and the Brazilian Confederacao Nacional da Industria have decided to establish a closer liaison between their respective organisations.

The two Confederations plan to establish a British and a Brazilian sector committee in their respective countries, to discuss the problems of trade interchange, licensing and investment. Subsequently, an Anglo-Brazilian Joint Committee will meet in London yesterday.

Investment

A Brazilian Mission, headed by Senhor Thomas Pompeu Souza Brasil Netto, President of the CNI, attended a reception in London yesterday.

The inaugural meeting, which will launch the Anglo-Brazilian joint committee, will be held to-day. Sir Geoffrey Wallinger, former ambassador to Brazil and now a director of Lloyds and BOLSA, has agreed to become chairman of the British sector committee.

Brazil's increasing trade with Britain, fostered by the Government's policy of encouraging investment outside the sterling area, has revived interest in this market and Britain's exports to Brazil totalled £60.8m. in 1970, excluding "invisibles."

Because all Brazilian commercial and industrial companies must, by law, be members of an association, and since all associations are members of State Federations which, in turn, are represented on the Board of the CNI, this organisation offers Britain an attractive network of contacts through which to reach the Brazilian market.

Mexican trade

Senor Ingo Don Bernardo Quintana Arrioja, President of the **Mexican Business Council**—equivalent to the Confederation of British Industry—is to have talks with the Trade Minister Mr. Michael Noble when he visits the U.K. tomorrow as guest of Blue Circle Group parent the **Associated Portland Cement Manufacturers.**

Senor Quintana is executive president of the Tolteca Group, leading Mexican cement producer, in which Associated Portland has a 49 per cent. interest.

Ross gets the bird

ROSS POULTRY exports of day-old parent chicks topped 1m. for the year when a 3,000 consignment left Heathrow for Taiwan this week via the Polar route and Tokyo. Ross Poultry is a member company of Imperial Tobacco Group, and Britain's largest poultry breeder.

'TV-to-film' breakthrough claimed

By John Chittock

A COMMERCIAL breakthrough with a 16 mm. British television recording system has been claimed by its London patentees, Colour Video Services. The step has come through the recent sale of two British television series—one from Thames, the other from London Weekend—to the Canadian Broadcasting Corporation.

The recording system—known as Videoprinting—provides a means for video-taped television programmes to be transferred to conventional film.

The 16 mm. Colour Video Services system provides prints at one quarter the cost of its more sophisticated 35 mm. rival, and the CBC purchase is claimed to be the first major programme sales of a tape-to-16 mm. film transfer in the influential North American market.

This could mean the green light, both for this particular British system and for a big switch to 16 mm. film as a universal medium in the international sale of TV programmes.

Three special stamps

A soldier, a sailor, an airman and a military nurse, in British uniforms of 1921, appear on one of three special stamps to be issued by the Post Office on August 25. Another stamp shows a Roman Centurion on horseback at York, and a third portrays English Rugby Football players of 100 years ago.

Chosen as this year's General Anniversaries series, the stamps are in values of 3p, 7½p and 9p. They were designed by Fritz Wegner.

Printed in photogravure by Harrison and Sons, all have phosphor lines and are slightly larger than double size.

Ford Transit production to be centralised

FORD to-day announces a £5.25m. expansion programme for its Southampton plant, which will increase it by 400,000 square feet, and could mean up to 400 more jobs.

The project includes the transfer from the Ford plant at Langley, Bucks., of entire final assembly operations for Transit medium commercial vehicles. Volume production begins in late summer next year. It will be the first time that complete Transits have been built at Southampton since Transit body manufacture began there in 1965.

The move allows Ford to plan a modernisation programme at its Langley plant, production home of the Ford D series truck and R series bus and coach ranges.

Cut-price hire purchase 'threat to car industry'

BY DAVID WALKER

A WARNING that a wave of cut-price hire purchase as a result of the ending of Government terms control could threaten stability in the motor industry was issued by Lombank, the credit arm of Lombard Banking, yesterday.

"Al that would happen is that the motor manufacturers sell 18 months' supply of cars in 12 months, and then run into a flat spot," stated the company, a leading credit house.

It reaffirmed that its standard terms for motor business would be in line with those expected from most other members of the Finance Houses Association, with a 25 per cent. deposit and a maximum repayment period of 36 months on cars up to three years old.

At the same time, "an occasional exception" might be made in the case of individual customers. There was, however, no question of following the decision of Western Credit, also a member of the FHA, in allowing 20 per cent. deposits and 36 months to pay on new and nearly new vehicles.

Meanwhile, Bristol Street Motors, the Birmingham-based group and one of the largest motor trading groups in the country, is offering a 42-month repayment period and asking for only a 20 per cent. deposit on cars up to three years old.

Despite the initital lack of uniformity in terms, however, there seems little likelihood of a return to the conditions of the late 1950s. Then, extreme competition led some companies to allow deals based on a deposit of only 10 per cent., and then found themselves faced with a high number of bad debts. In one or two cases, serious difficulties resulted.

The lessons learnt then mean that few, if any, major credit concerns would repeat such moves, although advertisements have begun to appear offering new and used cars to householders on terms involving no deposit whatsoever.

NATO's computer air defence ready soon

BY MICHAEL DONNE, DEFENCE CORRESPONDENT

PROGRESS in the construction of the NATO Air Defence Ground Environment system (NADGE)—the computerised air defence system for Western Europe—continues to be good. So far about one-third of the system has been completed and handed over for operational use.

The system, which comprises a complex series of radars and communications equipment to give advance warning of enemy attack, and which directs defending fighters and missiles on to the attackers, is costing the NATO nations around £130m. to instal, along a line extending from the far north of Norway to the eastern end of Turkey.

Dr. Fred P. Adler, president of Nadgeco, the U.K.-based company set up to run the design, development and installation programme, said yesterday that the entire system should be completed and in operation by the end of 1972 or early in 1973.

Of the 84 sites in the total complex, construction had been completed on no less than 76 per cent. Work had still to start on about 15 sites. Of the civil engineering work alone, costing some £17m., about 85 per cent. had been completed.

Air force tests

On those parts of the system already completed, tests conducted by NATO member-countries' air forces had shown that it could do all that was expected of it, and more. "In fact," said Dr. Adler, "the system is exceeding performance requirements."

Nadgeco, which has its headquarters at Feltham, Middlesex, obtains most of its equipment from the following shareholding companies: AEG-Telefunken, Germany; Hollandse Signaalapparaten, Netherlands; Hughes Aircraft, U.S.; Marconi, U.K.; Selenia, Italy; and Thomson-CSF, France.

هكذا من الأصل

هكذا من الأصل

European News

EEC refuses to postpone talks with non-candidates

BY REGINALD DALE, COMMON MARKET CORRESPONDENT

BRUSSELS, July 22.

THE PERMANENT representatives of the six Common Market countries to-day confirmed their rejection of a proposal by the Brussels Commission which would have effectively postponed negotiations with European countries seeking less than full membership of the Community until after Britain joins.

In a report which will form the basis for a discussion of the future status of the non-candidates by the six foreign ministers next Monday, the permanent representatives unanimously came down in favour of an alternative Commission suggestion. This would involve negotiating arrangements with the other EFTA countries, on the basis of industrial free trade, during the coming months.

All of the Six were in favour of maintaining the extent of free trade so far achieved in EFTA, with possible exceptions for a few sensitive products—paper, clocks, and coal and steel products, have been mentioned as examples. The permanent representatives could not agree, however, on how far agricultural products should be included in the arrangements with the countries concerned—although it was accepted that there would have to be an agricultural element at least in the agreements with the less industrialised of the countries involved, Portugal and Iceland.

All six member countries stressed that there could be no interference with Community decision making procedures as a result of the new ties with the non-candidates, which also include Sweden, Switzerland, Austria and Finland. Any harmonisation with Community policies undertaken by the non-candidates would have to be on a unilateral basis, it was agreed.

The six ambassadors also agreed that the Community would need safeguard clauses to apply in the event of disruptive inflows of imports from the non-candidates. It was accepted that there should be a review of the working of the arrangements in the years following the Community's enlargement, but there is not as yet full agreement either on the exact timing or the scope of such a review.

Our Stockholm Correspondent adds: It was made quite clear to-day that whatever special terms Sweden manages to negotiate with the Common Market, she will not play any part in the decision making of an enlarged Community, M. Maurice Schumann, the French Foreign Minister underlined at a Press conference following two days of talks with Swedish Government leaders. From the Community's point of view he said that Sweden would be expected to fulfil her obligations in full if she wanted full membership. The Minister continued by saying that a non-member could not have any participation in decision making. All the Swedish ministers he had spoken to understood that, he said.

An alternative, M. Schumann said, would be for the EFTA neutral countries that did not want to join the Community to form a free trade area with the Common Market, but they could not expect this to be unconditional.

Italy joins reactor project

By Christopher Lorenz

FRANKFURT, July 22.

ENTE Nazionale per l'Energia Elettrica (ENEL), the Italian electricity concern, is to join Electricite de France and the German RWE in their project to build two 1,000MW sodium cooled fast breeder reactors, one in France and one in Germany. For the present there are no plans for the new partners to build a similar installation in Italy, an RWE spokesman said to-day.

ENEL's decision will considerably strengthen the scheme's financial basis, particularly as there is now a third potential source of State support. RWE said that Government aid was vital for the scheme and that talks were already under way with the Science Ministry in Bonn.

Under the Franco-German agreement signed in Paris in May, two joint subsidiaries are to be set up, one in France, the other in Germany. In France, Electricite de France will have a 50 per cent. share and RW will take a one-sixth stake. In Germany, the size of the holdings will be reversed. ENEL will control one-third of each company, so that overall the three partners will each have a 33.3 per cent. stake in the project.

Meanwhile negotiations are still going on to find a company to take over Krupp's share in the nuclear engineering subsidiary it owns jointly with the German Brown Boveri group. Earlier this month Krupp let it be known that it had decided to sell its 50 per cent. stake in the company, Brown Boveri/Krupp, of Cologne.

Commission proposes talks with Cyprus

BY REGINALD DALE

BRUSSELS, July 22.

THE BRUSSELS Commission has asked the Six Governments for authorisation to open negotiations with Cyprus for a trade pact linking the island with the Common Market. The aim is to establish either an association agreement or a preferential commercial arrangement.

The final form of the arrangement will be determined in the course of the negotiations, which will probably start later this year. But delicate political considerations are involved, as Turkey has protested to the Community against the opening of negotiations with the Makarios regime unless direct contacts are also established with the country's Turkish Cypriot minority.

Mr. Kuchuk, the Vice-President of Cyprus and leader of the Turkish community, has also informed Brussels that he wants consultations with the Turkish inhabitants in the course of the negotiations. As this is a strictly political matter, the Commission is leaving it up to the Council of Ministers to decide how to deal with the problem.

In exploratory contacts with the Commission, the Cypriot government has asked for association with the Community under Article 238 of the Rome Treaty. The final objective would be customs union with the Common Market, along the lines of the agreement with Malta that entered into force earlier this year.

In its report on the preliminary contacts to the council, the Commission points out that British membership of an enlarged community could present problems for Cyprus if no special arrangements are made for the island. On the basis of 1970 figures, 70 per cent. of Cyprus's exports would be accounted for by a ten-nation Community, and the enlarged Common Market would supply 59 per cent. of the island's imports.

D-Mark reaches record level

By Christopher Lorenz

FRANKFURT, July 22.

THE D-MARK this morning floated to a record high of DM 3.460 to the U.S.$, equivalent to a revaluation of over 5.8 per cent. When the Bundesbank refused to sell at this level the dollar firmed slightly, and at the midday fixing was DM 3.4650, considerably lower than yesterday's DM 3.4733. With the Bundesbank still refusing to off-load dollars the closing rate was around DM 3.4665.

Following yesterday's statement by Dr. Karl Klasen, the Bundesbank President, that he would be happy to get rid of a further DM 10,000m. worth of dollars, Frankfurt dealers are not unnaturally expecting further official sales shortly with the mark climbing still higher as a result.

Italy unlikely to meet deadline for VAT

BY PETER TUMIATI

ROME, July 22.

IT IS beginning to look as though Italy once again is going to fail to meet the year-end dead-line for the introduction of the Value Added Tax. The replacement of turnover tax by VAT is included in the Government's general fiscal reform Bill.

The Bill is before the Chamber of Deputies. But despite the Government's urgings, deputies appear to have decided to start their summer recess at the end of the week without having approved the Bill. When the chamber reassembles in the autumn, there will not be enough time for the Bill to be approved by Parliament and for all the necessary changes to be introduced by the Finance Ministry.

Another failure by Italy to introduce the Value Added Tax could result in the adoption of punitive measures of some kind by the Common Market Commission.

Things are being made very difficult for Signor Emilio Colombo's Centre-left Coalition Government also on its housing reform Bill which is before the Senate. Right-wing Christian Democrats are opposing it hotly. The other members of the coalition — Socialists and Social Democrats—consider the Bill a key issue. The next few days are likely to be very difficult ones for Signor Colombo.

Encouragement for Ireland

By Dominick J. Coyle

DUBLIN, July 22.

THE CONTINUING high rate of unemployment and a growing balance of payments deficit on current account are highlighted in the Irish Central Bank's annual review of the economy. In general, says the review, the economic picture still remains uncertain.

However, the Central Bank sees some encouraging signs, based on data for the early months of this year, that strong economic growth is about to be resumed, and it points to the sizeable increase in imports of capital items and of goods requiring further processing.

But the bank is still concerned at the high level of imports overall, and the review speculates that imported materials "for further production" probably contain a substantial proportion of goods of a highly processed nature for almost immediate consumption. "The current buoyancy of this category of imports may well, therefore, reflect a tendency for imports to have a higher finished content, resulting in a lower value addition by way of domestic production . . . a consequence of higher domestic costs relative to those of our foreign trading partners."

Chaban's aide resigns

BY ADRIAN DICKS

PARIS, July 22.

THE FRENCH Prime Minister, M. Jacques Chaban-Delmas, and the liberal tendency he represents in the ruling Gaullist Party, are likely to be weakened by the resignation yesterday of M. Simon Nora, the Prime Minister's chief adviser on economic and social affairs for the past two years, and author of a celebrated report suggesting greater financial autonomy, for the nationalised industries.

A statement from the Prime Minister's office at the Hotel Matignon yesterday emphasised that M. Nora, who is to become managing director of the Hachette press and publishing group, was leaving at his own request and for personal reasons.

Yet there is no hiding the fact that the "New Society" policies of which he was the principal architect have recently come under renewed attack from Right-wing Gaullist deputies, six of whom recently handed M. Chaban-Delmas a document claiming that the Government had departed on a number of issues from previous party orthodoxy.

Spain confirms cholera cases

MADRID, July 22.

THE Spanish authorities to-night confirmed there had been seven cases of mild cholera in the Jalon Valley of Saragossa province, but said the patients had all recovered.

The authorities broke their silence with a brief official statement issued by the Spanish health services which said that no new case of cholera had been reported, and stressed that the outbreak was strictly localised and of a mild nature.

Vaccination was not necessary except in zones where it was advised by the health authorities, the statement added.

Reuter

David Fishlock, Science Editor, adds: The World Health Organisation (WHO) emphasises that no country is safe from cholera. During 1970 the disease was more widespread than at any time since the pandemic of 1961, appearing in some countries of North, East and West Africa for the first time this century.

Cholera was present, with varying degrees of severity, in 32 countries last year, but none of them European. Reports of outbreaks in several other countries were unconfirmed, and the WHO believes that the unnotified presence of cholera in these countries "may have contributed significantly to its spread in the latter part of the year."

Their reticence lies with the fact that a cholera outbreak is seen to reflect severely on a country's standards of hygiene. The infection is normally transmitted by water and the disease is endemic in places where water supplies and sanitation are inadequate.

Vaccination is strongly advised for anyone travelling to regions where the disease is endemic, but the protection it affords is not complete and should not be wholly relied upon. Vaccines, the British Medical Journal has emphasised recently, do not replace good standards of hygiene, which include the boiling of all drinking water in regions infected with cholera.

Normally the disease is treated by the antibiotics, of which tetracyclines offer the treatment of choice, together with large amounts of fluid to offset dehydration.

A resolution proposed by the World Health Assembly this spring observed that cholera was not only a public health problem but a long-term socio-economic problem. It urged the WHO to continue its search for more effective vaccines, and to help countries in the production of rehydration fluids, antibiotics and vaccines for treating cholera outbreaks.

AUSTRIA

Kreisky gambles on quick poll

BY PAUL LANDVAI, VIENNA CORRESPONDENT

Dr. Bruno Kreisky

AFTER barely 16 months in office (the shortest cabinet reign in post-war Austrian history), the ruling Socialist Party led by Dr. Bruno Kreisky has deliberately dissolved parliament. To outsiders last week's decision could look like political suicide: the opinion polls still give the Socialists a lead over their main rivals, the People's Party, but the lead is getting smaller, and by voting day (October 10), it may have disappeared altogether.

What, then, are the reasons for a seemingly risky decision, liable to provoke the displeasure of the Austrian voters, so long accustomed to political stability? Does the dissolution of Parliament 2½ years before the statutory term mean that the Socialist minority Government has been a "total failure" as claimed by the People's Party. If this is so why has the People's Party failed to propose a motion of no confidence?

To understand the background to a fascinating experiment in post-war Austrian politics, one has to remember the past and recent shifts in the balance of political power. Until 1966 Austria was governed by successive "red-black" coalition Governments formed by the Socialists and the People's Party. Through those two decades the People's Party was, in terms of parliamentary seats if not always in those of popular vote, the strongest party, invariably providing the Federal Chancellor. Due to factional infighting among the Socialists and a series of political blunders, the People's Party in March 1966 achieved a resounding electoral victory, capturing the absolute majority of Parliament.

But only four years later, on March 1, 1970, the Socialists under their new Chairman, Dr. Kreisky, scored an unexpected victory: for the first time they became the strongest party. Yet, though the Socialist share of the popular vote was almost exactly as large as that gained by the People's Party four years earlier, they fell two seats short of the absolute majority because of the quirks of the electoral system. The Socialists have 81 seats out of a total of 165, the People's Party has 78 and the Freedom Party 6 MPs.

Before the last elections the latter committed a political blunder by excluding unequivocally the possibility of a future "small coalition" with the Socialists.

After seven weeks of protracted and fruitless haggling with the People's Party, Dr. Kreisky suddenly switched to a "go-it-alone" line and with the approval of the Federal President, Herr Franz Jonas, also a Socialist, formed a minority Government, the first since the Second World War. Contrary to gloomy predictions, his Government took the hurdle of its first Budget last year with the aid of the six Freedom Party deputies and has all along retained the political initiative.

Ever since April 1970 the country has in fact been ruled by a tacit coalition of the ruling Socialists and the seemingly opposition Freedom Party who on all crucial issues—Budget, reduction of military service from nine to six months—supported the minority Cabinet. The reason was that the Socialists paid the high price of an electoral reform, which would eliminate the most glaring injustices, but virtually exclude the possibility of any party gaining an absolute majority. Up to now, the Freedom Party for example needed twice as many votes in order to gain a seat as either of the two large parties. Under the new law, the future Parliament will have 183 members and the more pronouncedly proportional character of the system will almost automatically increase the strength of the Freedom Party from six to at least 10 MPs even if the party's percentage of the total vote were to remain unchanged.

In retrospect, the experiment of the minority Cabinet must be viewed as an adroit move. It has demonstrated that a Socialist Chancellor is not the prelude to a "red Austria" nor to reckless economic experiments. Also, Chancellor Kreisky's tactical skill has given added impetus to the centrifugal forces in the People's Party, a weird conglomerate of industrialists, farmers and non-socialist black-coated workers. The party, in the throes of a profound crisis of confidence, has just elected its third chairman within a year or so. Finally, the successful co-operation between the Socialists and the Freedom Party (a mixture of liberal, pan - German and nationalist elements) has prepared the ground for a "red-blue" coalition of Socialists and Freedom Party after the next elections.

As the Freedom Party could not very well vote again for the Budget and pretend to be in opposition and as the inflationary pressures have begun to dent the Government's prestige, Chancellor Kreisky has been searching for some time for a convenient pretext to provoke new elections. He is known to have said as long ago as April 1970, soon after the elections: "We will have to do what Harold Wilson did in 1966: it is all a matter of timing." But in the meantime the People's Party wanted to play for time, refused to put forward a motion of no confidence and aimed at new elections for the spring.

Chancellor Kreisky has clearly profited from Austria's economic boom. His Government and above all his able young Finance Minister, Dr. Hannes Androsch, have not made any major move that might have shaken the confidence of foreign and domestic investors. The real growth of GNP last year was 7.1 per cent., second only to that in Japan among the OECD countries. It is likely to reach 5 per cent. this year. Fixed investment, industrial output and construction are booming and the 5.05 per cent. revaluation of the Schilling in May was a logical consequence of the strong external payments position. Nevertheless, the consumer price index in May was 4.2 per cent. up on the same month last year and the gap is expected to widen to 4.7 per cent. by the end of the year. It is regarded by the stability-conscious public as a disquieting sign and is played up by the Opposition as an "alarming inflation."

But having said all this, it m[ust] be stressed that because of [its] shaky foundations Chancel[lor] Kreisky's Government has fa[iled] to make appreciable progress [in] solving the country's structu[ral] problems, such as the long ov[er]due reorganisation of [the] nationalised industries, the [re]form of the antiquated [...] system, the reduction of a[gri]cultural subsidies or the con[trol] of steadily rising budget[ary] expenditures, which in 197[2] will coincide with a slacken[ing] of economic expansion.

On the credit side, one m[ay] single out the revitalisation [of] Parliament, the important le[gal] reforms initiated by the Minis[ter] of Justice, Dr. Christian Bro[da] and the pioneering measu[res] carried out or projected in [the] long-neglected field of resea[rch] and development as well as [in] higher education by Dr. Her[tha] Firnberg, the head of the [...] Ministry of Research [and] Science.

The Chancellor himself a[lso] dominates Austrian politics [and] has at every crucial junct[ure] outmanoeuvred and outflan[ked] both the old-timers in his [own] party and the opposition Peop[le's] Party. But the Austrian vo[ter] has lately become unpredict[able] and with three months to go [to] polling date neither an abso[lute] majority for the Socialists [nor] a comeback by the Peop[le's] Party can be comple[tely] excluded. In terms of po[wer] relationships and from a Socia[list] point of view, the experim[ent] of the minority Government [has] been a success.

But as far as Austria's fu[ture] is concerned it is now time [for] a more broadly based gov[ern]ment, of whatever colour, w[hich] is capable of solving probl[ems] rather than mainly see[king] popularity. Owing to the [...] present threat of early elect[ions] all three parties in Parliam[ent] have been conducting an unin[ter]rupted albeit camouflaged e[lec]tion campaign. With the [die] finally cast, the period of exp[eri]ments and pretences is [over] and after a final bout of c[am]paigning a new single-party [or] more probably coalition gov[ern]ment with a firm majority sh[ould] be able to tackle in earnest [the] outstanding economic and s[ocial] issues.

PARLIAMENT

COMMON MARKET DEBATE DAY TWO

Jenkins puts case for unity in Europe—and the Labour Party

BY PHILIP RAWSTORNE

Mr. Roy Jenkins argued as forcefully as ever in the Commons yesterday for the unity of Europe—but without widening the divisions in the Labour Party. It was a day on which issues almost began to dominate personalities. Mr. Wilson gracefully withdrew from a mistaken attack on Mr. Geoffrey Rippon; Sir Alec Douglas-Home graciously noted the Leader of the Opposition's case against entry; and Mr. Jenkins called for respect for everyone's sincerity.

Labour's deputy leader relied yesterday on the logic of his argument rather than the strength of his personal convictions. "My views, I believe, are moderately well known," he said. "My convictions are as strong as ever and my views about the desirability of entry are not abated by the terms. The terms are not ideal but to me they appear acceptable."

The only personal note he struck after that was to recall his loneliness as he waited during Labour's years of Government for the EEC members of the Group of Ten to decide Britain's financial fate. So much for sovereignty, said Mr. Jenkins. But the economic case for entry was now more stronger than the political, he added.

Membership of the EEC could bring a marked improvement to Britain's competitive export position, the prospect of export-led growth, and the curing of structural faults in our economy. "I do not share the very widespread view that we must necessarily go through a very difficult period *in order to reap later benefits*," he said.

Provided the Government's own policies were right—and he demanded some assurances about that—Mr. Jenkins had no fears either about the effect on regional development. Britain should have the ability to exercise an influence in the world more in keeping with its history than its size, said Mr. Jenkins. It would find that—and more besides—in the EEC, he added to cheers from both sides of the Commons.

Sir Alec, in a sort of reverse argument, agreed. "I do find it almost an intolerable handicap to this country *that we should have to run our foreign* policy are we do because we are working on an economic shoe-string," he said. Sir Alec looked forward to the prospect of entry without any fears: "Nothing ventured, nothing gained," he said.

MR. JENKINS said: "This is intended to be a major debate about the merits of this great and historic issue and the reasonableness, or otherwise, of the terms which the Government has obtained. Government MPs would be wise to treat it as such and not occasion it as an exercise in scoring party points."

Parliament would more impress the public, Europe and the world "if we talk more about the issue and less about each other."

There was laughter when he said: "My views, I believe, are moderately well known. My views about the desirability of entry are not abated by the terms.

Growth

"The essence of the economic case for going in, is the belief that it will increase our rate of growth and, therefore, the amount of resources available to us as a nation and this will substantially out-balance any additional payments the other way."

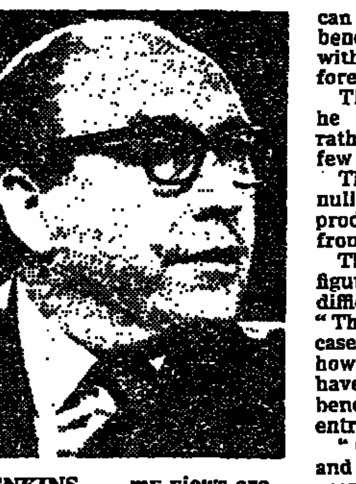
There should be no danger to the economy provided the Government handled the management of the economy sensibly *during the transitional period.*

"The dynamic argument is, in my view, not nearly as crude as is sometimes argued by those who reject it." If they looked at the experiences of the EEC countries since the setting up of the Community, they would find there had been an increase in inter-Community trade following the dismantling of tariff barriers.

"Trade between the Six may well have grown in the early years by 50 per cent. more than it would have been otherwise." It was quite clear that there had been a sharp increase in levels of investment in the Six as a result of growth.

"There was a fall in each of the Six countries in the ratio of their export costs and prices relative to their home prices." *This was a factor of* "*very great* and marked significance."

"The fall in each case was substantial and significant, and there had been a marked improvement in competitive export positions."



JENKINS . . . my views are *moderately well-known.*

British entry could "open up the possibility of curing structural faults which have bedevilled our economy for so long." In the past we had imported too much, exported too little and invested too little, he said.

Unless Britain's experience was totally dissimilar from that of every one of the Six, she *should expect a general and* steady improvement in the competitive position of the export industries. This applied not only to their performance considered alongside that of the Six but also compared with the rest of the world.

"There are therefore substantial favourable factors affecting the balance of payments to set off against the unfavourable ones we hear so much about.

"It also means the prospect of export-led growth, and curing the structural faults in the economy.

"I do not share the very widespread view that we must necessarily go through a very difficult period in order to reap later benefits.

"I think the immediate effect upon the *vital* and *very weak* sector of industrial investment can be very beneficial and the balance of payments costs in the first couple of years, before we can hope to get any dynamic benefits, are likely to be small, within any normal measure of forecasting error."

The economic case for entry, he said, had grown stronger rather than weaker in the past few years.

The benefits of entry would be nullified unless the Government produced policies totally different from those seen in the past year.

The disastrous unemployment figures showed the nature of the difficulties the country faced. "They in no way weaken the case for entry, but simply show how economic purposes would have to be changed to secure the benefits of the opportunities of entry.

"Growth must be given a new and decisive priority. If not the economic exercise of entry *may* be self-defeating. We need an undertaking that those less well *off will be protected from bearing* the burden of impact costs."

On regional policy he said: "I find it almost inconceivable that the Government should have dismissed this issue in three jejune paragraphs." He understood that nearly every instrument of regional policy used in the U.K. was in use somewhere in the EEC.

No country in the Six had been so foolish as to prefer investment allowances as opposed to investment grants. The real test of regional policy was not whether you had a beautiful set of tools but what results they produced.

"There are some substantial indications that nearly all the countries in the Community have done a little better than we have."

The average income per head in the poorer regions in France, Germany and Italy, now came nearer to the average for the nation's as a whole than had hitherto been the case. In Britain over the period from about 1960 to 1968 except for the South-west and Northern Ireland, they had moved rather further away.

Freedom

The explanation for this was not that our tools were less good but that the best tools in the world were not wholly effective in this field unless they were used against a background of a *buoyant expanding economy.*

Criticising the amount of explanation given in the White Paper on the future of sterling, he said: "I welcome without reservation the run-down and eventually the final end of sterling's special position as a reserve currency."

The attempt to support the second reserve currency of the world on the narrow base of the U.K. economy had been like trying to stand a pyramid on its point.

"It has been a source of considerable international monetary imbalance as well as a considerable restriction upon our own freedom of economic development."

He called *for more explanation* from the Chancellor of the *Exchequer as to what the Government's intentions* were for the replacement of sterling.

The position of the sterling holders must be safeguarded. But equally, there must be no question of our undertaking a stiff fixed repayment programme.

This would both be an undesirable construction upon ourselves and would be undesirable for the rest *of the world.* because it would mean a further burden upon the dollar which the dollar was manifestly unable to carry.

It would also lead to a reduction in world liquidity which would be equally undesirable.

What we needed was a new international reserve asset. The House should have some indication from the Chancellor as to the thinking of the Government on this; whether it was thinking finally in European terms or in wider terms.

He wondered if the Government was possibly thinking in terms of the setting up of a world reserve bank and moving away from the special reserve role, not only of sterling but the dollar as well, because the dollar was beginning to go into exactly the same sort of position that had so bedevilled sterling in this country for nearly two decades passed.

"I am rather inclined to the latter solution but either is better than the way we are now."

Referring to this issue of *sovereignty he said:* "*Some* people in this House, and outside, fear the EEC because they think it means giving up irrevocably a large measure of control over ouw destiny. I do not see it this way at all.

Power

"The facts of the modern world have *removed* already a large part of that control. If we delude ourselves by thinking we can cling to the shadow of sovereignty, we will, as a result, have less, and not more, influence on what really happens to us."

He did not regard the Common Market as a major invasion of British sovereignty. "But, in any case, the question we all have to ask ourselves is: "Do we really believe we can live in the world to-day on our own, or do we believe that we can greatly increase our influence and our power over decisions which inevitably affect us directly, by participating in those decisions.

"I want to see the maintenance of Atlantic ties, but upon the basis of a far more equal partnership between American and her European allies than has been possible in the past 20 years.

"I want to see Germany far more firmly anchored into the democratic community.

"I want to see the relaxation of tension between East and a balanced reduction of arms in the centre of Europe."

Impeded

He wanted to see Europe, which was "rich and relatively fortunate" to be responsive to the needs of the poorer world.

He also wanted Britain to have the ability to exercise an influence in the world which was "more in keeping with our history and our size."

"Everyone of these aims will, *in my view, be assisted by the* enlargement of the Community. Every one of them is in danger of being impeded if we remain outside."

'Nothing venture, nothing gain'

SIR ALEC DOUGLAS-HOME said it had to be asked not only whether we should go in but what the prospects for Britain would be if we should stay out.

Our subscription to entry in the early years was quantified at roughly £250m. If as a country, at the end of the transitional and corrective periods we were not able to sustain a rate of growth which could carry the balance of payments charge, we would have to resign ourselves to a different league altogether from the others. He utterly rejected such a defeatist attitude.

The Treaty of Rome made it clear that the association existed to ensure by common action the *economic and social progress* of the countries by eliminating the barriers which divided Europe. It existed to reduce the differences existing between various regions and the backwardness of less fortunate regions.

Sensitive

Mr. Donald Stewart (Scot. Nat. Western Isles) asked: "How can you rely on such assurances when similar assurances were given to Scotland in 1707 in a treaty to which one of your ancestors was a signatory? At that time the population of Scotland was a fifth of that of the U.K. Now it is a tenth. Is that the future you want for the U.K. in Europe?"

Sir Alec said: "I hope you *won't try to tell a Scottish* borderer who was fairly well off when he used to steal cattle from England that he is not much better off since the Treaty of the Union."

The apprehension of the ordinary person on the question of sovereignty was that we would be over-ruled. He would reply to that proposition in terms of Community practice in 12 years.

The Community had shown itself in the Commission and in the Council of Ministers to be extremely sensitive as to the national interest of the partners. This practice had been reinforced by the communique issued after Mr. Heath's meeting with President Pompidou.

There were many misconceptions about the nature of sovereignty. He would contend there was no absolute doctrine of sovereignty. Sovereignty was *concerned in fact with the* reality of power and inference.

In his mind an act of sovereignty was certainly not inconsistent with entering a partnership. This would be more beneficial as Britain would have an influential voice in formulating policy both economic and political in the world's largest economic entity.

Trading

"You do not set up an institution for fun. You set up an institution because there is something of common advantage to you all. I do not find this a surrender of sovereignty or a frightening prospect. I find it an almost intolerable handicap to this country that economically we should have to run our foreign policy as we do because we are working on an economic shoestring."

He did not believe we should talk in terms of surrender—if anything we should talk of sovereignty shared for common purposes.

The Commonwealth never had been or never could be an economic bloc. It never had been or never could be a military alliance. The interests of the modern Commonwealth were too *diverse.*

The Commonwealth countries wished to find new trading partners and it is a good thing that they should diversify their trade.

Some of the newer Commonwealth countries were already finding it in their interests to give the EEC preference over Britain.

"We will do everything we can to safeguard the Commonwealth interests. I think we are entitled to ask the Commonwealth countries to understand that they could not and should not ask us to neglect our own.

"The main case for Britain's membership of the Community is this, and it can scarcely be expressed in the rather arid terms of a White Paper—that a Britain which is weak and in decline is useless *for* the Commonwealth."

Britain had steadily lost her percentage of Commonwealth trade and had come down the ladder *as far as* world trade was concerned.

As a member of the EEC Britain could do many things for the Commonwealth whereas now we could only do a decreasing amount. "That is a position I do not like, but a position I *think will be rectified* if we have membership of the Community.

"We have kept the door open for the West Indian sugar producer and the New Zealand producer of milk products into a market which is likely to prove the richest market in the world.

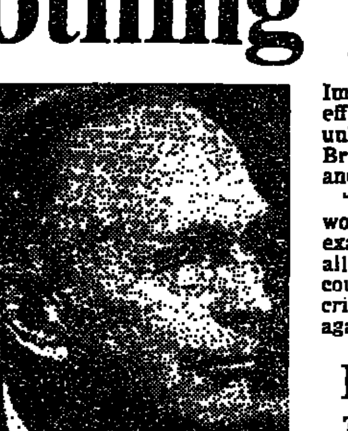
"Our heart and our purpose is large enough to embrace the Commonwealth interests and membership of the Community and they are complementary to each other.

"I would not be here advocating this cause with any enthusiasm if I thought the Market was going to be exclusive."

Essential

Sir Alec spoke of the new and completely different problem which faced Europe—the new class of super-powers. Within the framework of NATO Europe would have to assume greater responsibilities for her own security, and it was essential Britain should be in those councils within the NATO framework and not out.

"That is why to the word



SIR ALEC . . . a defeatist attitude

'necessary' for Britain to enter the Community. I am sorely tempted to add the word 'essential.' I do not believe in this respect that Britain can afford to stay out. It is a case of '*nothing venture, nothing gain*'."

Mr. Reginald Paget (Lab., Northampton) said if Britain entered she would, for the first time, have a written Constitution.

"Now we are going to have a whole series of Constitutional laws above us which we cannot change, and as we make laws here we will have to bear in mind that they are subject to *review by a court of Brussels.*"

Mr. John Boyd-Carpenter (C., Kingston upon Thames) said the Immigration Bill would have the effect of making an Australian, unless he had a parent born in Britain, subject to labour permits and registration with the police.

"I think a great deal of opinion would be very unhappy if, for example, Germans, whom, after all we fought not very long ago, could come here, and that discrimination should be exercised against Australians."

Immigrants

The way out of this was to take powers for a reciprocal movement of migrants between Britain and the "old" Commonwealth countries, in time to coincide with the free movement of people from Europe.

Mr. Patrick Gordon Walker (Lab., Leyton) said: "I *myself* feel that the present terms are acceptable."

The attitude and experience of two member nations was of special significance he said.

If any country was peripheral to Europe, it was Italy. If any country seemed exposed to the *danger of becoming the Northern* Ireland of Europe, it was Italy. But since membership, Italy had experienced an economic miracle with a growth rate faster than ours.

Since membership Belgium's rate of growth had risen to 4.7 per cent. and she had full employment. "I have not so low an opinion of my own country *to think that we cannot bear* ourselves at least as well as Italy and Belgium."

Apology by Wilson to Rippon

... WILSON withdrew in the ...nmons comments which he ...l made at the end of the Com...n Market debate on Wednes... relating to the view of Lord ...npbell of Eskan, chairman of ... Commonwealth Sugar Ex...ters Group, of terms offered ... Commonwealth sugar pro...ers if Britain enters the EEC. ...ritain's chief negotiator Mr. ...offrey Rippon thanked Mr ...lson to-day for his "handsome ...logy."

...changes

Mr. Rippon had quoted a ...er to him from Lord Camp... dated June 3 in which Lord ...npbell said in part that if it ... been up to him and not the ...ernment he personally would ...e accepted the settlement as ...sfactory and constructive for ... developing countries.

...ir. Wilson said that he had ...eived a phone call from Lord ...npbell's office on Wednesday ...ning saying that if Mr. Rip... quoted the letter, he was ... entitled to do so, "because ...pon knows the real facts."

... Rippon retorted: "I utterly, ...lly and completely repudiate ...t you have said. I got his ...ress permission."]

...n the Commons yesterday Mr. ...son asked leave of the House ...make a brief intervention in ... debate.

...le said: "In the heat of the ...hanges in the concluding pas...e of the speech of Mr. ...offrey Rippon last night I in...upted him with words which, ...r a brief explanation which ...eel I owe to the House, I ...uld like to withdraw.

"The words I used were based ...my understanding, incorrect ...I now understand, of a mes...e received in my office from ...d Campbell of Eskan.

"He had felt it right to inform ... that he had given permission ...Ir. Rippon to quote a passage ...n a letter he had written.

"Lord Campbell, in his ...acity as chairman of the ...nmonwealth Sugar Exporters, ...es available information to ... Government and Opposition ...n non-party basis which helps ... whole House.

"He felt that I ought to know ...what he had authorised Mr. ...pon to quote. The message, as ... reached me, gave me a ...erent impression which was ...rately summarised in my ...rvention.

"While those concerned with ...rting the message to me ...d in good faith, I take full ...onsibility for all that ...rred and I ask leave to with... the words I used to Mr. ...pon last night."

...ndsome

...r. Rippon said: "May I ...ress my appreciation for ...t you have said.

"You did make a serious ...cation last night which I in...tly repudiated. I am grate... for what I take as a handsome ...logy this afternoon."

...Hanratty case: ...closest ...onsideration'

... REGINALD MAUDLING, ...e Secretary, told the Com...s at Question time, that he ...giving the "closest considera..." to points in a full and ...iled letter about the Han... case sent to him by Mr. ...l Foot.

...ames Hanratty was executed ...r being found guilty of the ... murder.

...r. Maudling added: "I can... make any further comment ...use, as I understand it, a ... has been issued in the High ...rt *in respect of certain pub*...d material

...r. Frederick Willey (Lab., ...derland North) asked: ...hile appreciating the very ...ccientious consideration you ... giving to this matter and ...ecalling your present par...ar difficulties will you give ...us consideration to this ...ect of the case—that there is ...tly or wrongly considerable ...lic disquiet *and probably* the ... way to allay it is to have a ...lic inquiry."

...r. Maudling agreed there ... a great deal of public ...rest.

No more on EEC advertising

IN THE LORDS Lord *Jellicoe*, ...der of the House, said that no ...her expenditure on advertis... Britain's case for entry into ... Common Market was planned ... the Government.

...he cost of publication and dis...ution of the White Paper had ...ady been more than covered ... revenue from sales. Publish... and distributing the short ...ion of the White Paper had ... £191,000 to date and the ...ct sheets" had cost £255,850.

...dvertising the fact sheets had ...ar amounted to £86,150 and ...urther £114,550 had been ...geted for future reprints and ...rtising of these publications.

...rd Lauderdale thought the ...nditure rather excessive, but ...d Jellicoe replied that far *greater sums were spent* in advertising facts about decimilisation and, in any case, a modest amount should surely be spent on giving information about "the greatest issue of our time."

Lord Shinwell (Lab.) said such advertising should be left to "that private enterprise miscellaneous collection who advertise in the Times and give sumptuous *banquets.*"

At Question-time in the Commons, Mr. Ben Ford (Lab., Bradford N.) said that if Britain did not enter the EEC the jobs of something approaching 500,000 men in the aero-space industry might be at risk.

Mr. Heath replied that he was not sure the number was quite as large as that but it was a very large number, indeed. Specialists in the aero-space field believed there would be much greater opportunities if we worked together with European companies.

Mr. Norman Tebbitt (C., Epping) asked about export opportunities within an enlarged Community for the advanced technological industries of the U.K.

Mr. Heath said that, in the course of meetings with heads of governments of the Six, he had discussed the opportunities that enlargement of the Communities would bring to our advanced technological industries, including the aero-space industry, particularly for the pooling of technological resources and markets.

Libya: MPs call for strong action

BY JUSTIN LONG, PARLIAMENTARY CORRESPONDENT

DEMANDS FOR strong action against Libya for an act of "international piracy" and kidnapping came from both sides of the Commons after a Government statement on the forced landing of the VC-10 at Benghazi early yesterday.

Mr. Joseph Godber, Minister of State, Foreign Office, left no doubt when he made the statement that the Government took a "most serious view" of the *action taken* by the Libyan authorities, which he said was clearly in complete violation of international civil aviation practice.

"On hearing of the matter, I immediately summoned the Libyan Ambassador and told him that his Government's action had been outrageous. I protested in the strongest possible terms at an action which we condemned *as inexcusable*," *the Minister* told the Commons.

Arms mission

"I demanded that the two Sudanese who had been removed from the plane should be released at once and allowed to proceed to Khartoum or return to London as they wished.

"I demanded an apology and told him that his Government's action was bound to have a severe effect on our relations with Libya."

In the immediate demand from MPs of all parties for official and international *pressure* to be brought upon the Libyan Government, a particular request from the Tory backbenches was for a ban on the sale of arms to that country—and it was pointed out *that a Libyan arms purchasing* mission is at the moment in the U.K.

In reply to this, Mr. Godber said: "Certainly any matter of this kind would be certain to be affected if we did not get satisfaction in this matter."

The Minister said that at the moment the Government was seeking the fullest possible facts about what had happened, and he added: "I have chosen my words with some care and I prefer not to add anything at this stage."

In his statement he said that the BOAC VC-10 en route from London to Khartoum had entered *Libyan air space and was ordered* by Benghazi air traffic control to land at Benina airport. The pilot turned back towards Malta, but shortly afterwards while the plane was still over Libyan territory, Benghazi air traffic control threatened to shoot it down if it did not land at Benina.

"As the pilot was carrying a full load of passengers including *women* and children, he had little choice but to obey these instructions," said Mr. Godber.

"On landing at Benina airport the Libyan security authorities asked to speak to Colonel Babiker el Nur, who was travelling on the aircraft. Both he and Major Farouk Hamadalla, who was accompanying him, were instructed to get off the plane. They at first refused to do so, but after *the Libyan authorities had told* them that they were endangering the lives of the other passengers, they agreed. The plane then returned to London with the remaining passengers on board, all of whom are safe."

"Shadow" Foreign Secretary, **Mr. Denis Healey**, associated the Opposition with the "most serious view" the Government took of the matter. It was an act *of international piracy* as well as kidnapping. Mr. Healey maintained, and urged that the UN should be encouraged to take some action in the case. Otherwise a precedent might be set which could have the most damaging consequences in other areas.

'Every right'

Mr. Godber *said* he recognised the international significance. The Government hoped there could be international agreement upon it, and he added that he shared the view Mr. Healey had expressed.

Liberal leader **Mr. Jeremy Thorpe** welcomed the action taken by the Government, and in reply to his questions the Minister confirmed that Britain had flying rights over Libya. The aircraft had "every right so to overfly and should never have been interfered with," said Mr. Godber.

Jobless figures 'disastrous'

BY JUSTIN LONG

PUBLICATION OF the unemployment figures sparked off a clash in the Commons yesterday which rallied the Opposition into a sharp attack on the Prime Minister, and it led to moves by Labour MPs last night to make the economic situation a predominant issue in a series of debates programmed for next Tuesday which could lead to an all-night sitting.

Mr. James Callaghan took a leading part in stirring the issue when he broke into Mr. Heath's Question-time to declare that the figure of 829,000 jobless was "disastrous." The Prime Minister should be giving less attention to the Common Market and more to the question of unemployment, Mr. Callaghan added, to the loud approval of Labour back benchers.

Mr. Heath retorted that if Mr. Callaghan gave more time to understanding the Common Market he would "not be in his present position."

But other *Labour MPs took* up the protest, and in particular **Mr. William Ross**, Opposition "shadow" Scottish Secretary, who blamed the Government for high unemployment in Scotland, and **Mr. George Thomas** who deplored the situation for Wales.

The attack was capped by a demand at the end of Question-time for an emergency debate on Scottish unemployment, which the Speaker ruled that he could not accept.

Mr. Harold Wilson afterwards elicited from the Leader of the House, **Mr. William Whitelaw**, that the debates scheduled to take place in the House next Tuesday on the Consolidated Fund Bill would enable MPs to raise any matters of Government policy.

Third guillotine

BY RICHARD EVANS, LOBBY CORRESPONDENT

THE GOVERNMENT, as anticipated, will be forced to bring down a "guillotine" on the Industrial Relations Bill for the third time in its passage through Parliament in order to ensure that it receives the Royal Assent before the summer recess.

Mr. William Whitelaw, Leader of the Commons, announced yesterday that five days—July 28 and 29 and August 2, 3 and 4—had been allotted to debate Lords amendments and that a timetable motion would be debated for two hours next Wednesday.

Although Mr. Whitelaw pointed out that the time given to consideration of Lords amendments was more generous that that received by any other Bill in the history of Parliament, the decision enraged Labour MPs and ensures that the controver*sial* Bill will leave Parliament as it entered it—in a storm of protests.

As there are over 340 amendments to be discussed Labour MPs argue that only a fraction will be able to be debated adequately. The intention is to take them in batches and to vote once on the outstanding amendments at the end of each day's debate.

Next week's business

COMMONS

MONDAY: *Conclusion* of Common Market debate; consideration of Lords amendments to the Sheriff's Courts (Scotland) Bill.

TUESDAY: Second reading of the Consolidated Fund (Appropriation) (No. 2) Bill.

WEDNESDAY: Motion relating to the Industrial Relations Bill that the Lords amendments should be completed in five sittings on July 28 and 29 and August 2, 3 and 4.

THURSDAY: Second day of motion on Industrial Relations Bill, Lords amendments.

FRIDAY: Remaining stages of the Consolidated Fund (Appropriation) (No. 2) Bill; consideration of amendments to Bill which may be received from the Lords; motions relating to codes of recommendations for the welfare of livestock, farm capital grant variation scheme, the price stability of imported products (poultry meat) Order, the housing subsidies (representative rates of interest) Order, and the medicines (retail pharmacists) Order.

LORDS

MONDAY: Licensing Abolition of State Management) Bill, third reading, medicines (surgical materials) Order 1971; Commons amendments to the Friendly Societies Bill; first day of debate on the Government's White Paper on the Common Market.

TUESDAY: Diplomatic and Other Privileges Bill, committee and remaining stages; Minerals Workings, (Offshore *Installations*) *Bill Commons* amendments; Anguilla Bill, committee and remaining stages; second day's debate on Common Market.

WEDNESDAY: Finance Bill, third reading; Medicines Bill and Hijacking Bill, committee and remaining stages; Code No. 1 (Cattle) of recommendations for the welfare of live*stock*; codes 2, 3, and 4 in respect of pigs, domestic fowls, and turkeys; third day's debate and conclusion on Common Market.

THURSDAY: Immigration Bill, Social Security Bill and Civil Aviation Bill, committee stages; Commons amendments to the Minerals Workings Bill.

FRIDAY: Business to be announced.

Airport will have daily shows of sponsored films

BY JOHN CHITTOCK, INDUSTRIAL FILM CORRESPONDENT

A CINEMA for daily showings of sponsored films is to start operations at London Airport Heathrow, on August 1. Behind the scheme is Europe's largest 16mm. film library, Sound Services. The cinema will be sited at Terminal One, where all BEA flights are handled. Informal seating for 50 *people will be provided*, as well as extensive standing room.

Sponsors will thus be able to reach a new audience group, sometimes comprising people who otherwise may not see sponsored films. Screening rates begin at £93 for one show a day for three months (93 days) for a five-minute film. Maximum daily exposure for any one film is four shows.

The cinema will operate *for ten* hours a day, seven days a week. The presentation time of a film will change each day within the programme so that its exposure pattern will veary throughout its run.

The idea of airport cinemas for showing sponsored films is not exactly new, though it has not *happened before* in Britain. Skyport Cinemas, as they are known in the U.S. have been a familiar part of the American film distribution scene for some years.

Sound Services claim that 9m. people pass through Terminal One every year, and, given some of the inevitable delays that travellers experience, there is good reason to hope that many of these will spend some time in *the cinema.*

هكذا من الأصل

Other Overseas News

Egypt agrees to pay Britons £2m. for nationalised assets

BY RICHARD JOHNS, MIDDLE EAST CORRESPONDENT

THE MAJOR *outstanding* financial issue between Britain and Egypt has been solved with the signing in Cairo yesterday of an agreement under which British concerns whose assets were nationalised in the 1960-64 period will be compensated.

Egypt is to pay £2.1m. in quarterly payments over a three-year period, starting in March next year. The compensation will be in hard currency.

It is believed that the amount of the compensation amounts to only about 50 per cent. of the valuation *made by the concerns* involved. Yet, with payments being made in convertible currency, the deal is a good one—much better than those previously negotiated by France and Switzerland.

These two countries received compensation over a period of years in Egyptian pounds, non-traditional *export items (cotton* was excluded) and in tourism facilities. Neither agreement appears to have worked well.

Death duties

For the British concerns, the share-out of the compensation money will be handled by the Foreign Compensation Commission. Claims are expected from about 1,400 British nationals. A shareholders' committee has been in existence for some years.

Of the total £2.1m., about £200,000 will be retained to settle outstanding liabilities for bank loans, income-tax and death duties.

In Cairo yesterday Mr. W. F. Morris, head of the claims *department of the Foreign and* Commonwealth Office, said that he had every reason to believe that shareholders would be satisfied. Earlier he had signed the agreement with Mr. Sherif Loutfi, *Under-Secretary of State at the* Egyptian Ministry of Economy and Foreign Affairs.

Settlement of the nationalisation issue after three bargaining sessions over the last year leaves only the question of blocked funds in Egyptian banks to be solved. These assets were frozen by the sequestration measures of 1956 and 1961.

Here the problem is not so much one of Egypt's good will as the country's exchange control regulations. The amount involved is about £1m.

President Thieu threatens withdrawal

SAIGON, July 22.

SOUTH VIETNAM'S President Nguyen Van Thieu to-day said he would *only run for President if* he had the necessary conditions to continue his tough stand against the Communists.

The President's remarks, quoted by the official Vietnam Press News Agency, appeared to be a threat to withdraw from the October 3 election if there were any weakening of American backing.

"*Only* when there are the conditions to realise my point of view, will I run," Mr. Thieu told a group of South Vietnamese soldiers yesterday evening before their departure for a visit to Taiwan.

The agency report did not quote the President as saying who would provide the con*ditions or what they* were.

But in a speech on Tuesday, in which he said he was not optimistic about the chances for an early peace linked with President Nixon's planned visit to China, Mr. Thieu said he was going to ask the U.S. for continued military and economic aid.

He said he would also ask Washington to gear its troop withdrawals to the capabilities of the South Vietnamese army.

Mr. Thieu appears concerned that Washington's backing for his strict anti-Communist line *will wane if reconciliation with* Peking is under way.

The policy line which the *President wants to pursue* is referred to as his "four 'no' policy": no coalition with the Communists, no neutrality for South Vietnam, no territorial concessions to the Communists and no Communist activities allowed in public.

Mr. Thieu's statement is likely to add to the confusion surround*ing the presidential elections.*

The President's main possible opponent, former head of state Duong Van (Big) Minh—who has yet to declare he will run—threatened last week he would withdraw at the last moment if if he thought the voting was not going to be fair.

Reuter

Sagr says why he opted out

By Our Own Correspondent

DUBAI, July 22.

THERE SHOULD be eventual unity of the Trucial States on a basis of equality, the Ruler of Ras al Khaimah has said here in a broadcast explaining why he had not signed Sunday's federal agreement.

However, it is believed that the state's wily ruler, Sheikh Sagr, may have opted out for the time being in the expectation that an imminent oil discovery might give him parity in the union with Abu Dhabi and Dubai.

Union Oil of California, his *concessionaire, is drilling* a promising formation and is reported to have reached a depth of 13,000 feet. It expects results in about a fortnight.

An oil discovery may allow Sheikh Sagr to negotiate for his state *eight votes in the planned* federal council, the same as Abu Dhabi and Dubai, compared with the six which he was offered. The other four states are to get four each.

THE GUERILLA WAR IN OMAN

No victory in sight for the Sultan

BY RICHARD JOHNS, MIDDLE EAST CORRESPONDENT WHO RECENTLY VISITED OMAN

FLYING into Salalah at this time of year one is suddenly confronted, about 20 miles from the coast, by an abrupt wall of cloud. The Caribou military aircraft which has laboured for nearly four hours on its way from Muscat at a speed of little more than 100 knots, starts its descent into the cotton wool. It is something of an oddity that *this stretch of Arabian coast,* stretching 100 miles or so, is touched by the tail of the mon*soon from June to September.* From the point of view of the British-officered Sultan of Oman's *Armed Forces* waging war in the province of Dhofar against the guerillas of the Popular Front of the Liberation of the Occupied Arab Gulf, the geography is perverse.

Ambushes

Back at SAF's headquarters at Beit al Falaj near Muscat, Colonel Hugh Oldfield, the Sultan's Military Secretary, says, "*It is an unfortunate accident* of terrain, vegetation and climate." Above the tree-line at about 400 feet, the Jebel (mountains), which rise to 3,000 feet and ring the coastal plain of Salalah, is thickly clothed with trees and thorn bushes. It is cut by huge boulder-strewn wadis—some with sides that are almost sheer and as much as 2,000 feet deep—and riddled with caves. An SAF officer comments tersely, "You could lose a few divisions there." *The Baluchi* and Omani soldiers, with their desert origin, find hill country alien to them.

At the best *of times* the Jebel provides perfect guerilla country, ideal for ambushes; during the monsoon it becomes an even more formidable military proposition. The vegetation has a tropical-jungle density and the *paths are treacherous enough to* make even a mule lose its foothold. The cloud ceiling comes down to only a few hundred feet and the Jebel is covered in something like a Scotch mist. As a result, the BAC 167 Strikemaster jets of the Sultan of Oman's Air Force (SOAF) are of limited use and infantry operations into the Jebel become *more* hazardous.

Communist China could scarcely have chosen a better location—or a more strategic one, with all the Gulf's oil resources lying to the north—for its first attempt to aid and abet a "revolutionary" war outside South-East Asia. Not until 1965 did the old Sultan deploy an SAF company to Dhofar. However, with the backing of the militant regime in Aden and a *secure* base in what now has become the People's Democratic Republic of South Yemen, the *rebels have been able to inten*sify the struggle steadily. Direct Chinese backing came in September of 1968, the year in which the Dhofar Liberation Front, to win wider backing, changed its name to the Popular Front for the Liberation of the Occupied Arab Gulf—pledged to bring Marxist revolution to the whole *Gulf.*

Following the deposition of Sultan Said, a year ago to-day, *there was a lull as the Govern*ment held out its amnesty to the tribesmen of the Jebel—a policy which up until last month had brought over some 250 firqahs, or irregulars, to fight on SAF's side. Not the least gain *from the policy of* reconciliation has been the improvement in SAF's intelligence. This has gained immeasurably since the *old Sultan was overthrown, says* Brigadier John Graham, SAF's commander, as he outlines the *disposition of* the main rebel groups — "Ho Chi Minh," "Guevara," "Lenin" etc.—and their main supply lines.

Last year's "close season" also enabled SAF to deploy in Dhofar a second battalion, the Northern Frontier Regiment (NFR), to reinforce the Muscat Regiment. With SAF's artillery *battery and the irregulars,* the muster amounts to almost a brigade in strength. Complementing the soldiers, there is the squadron of BAC 167 Strikemaster jets, the most effective weapon of all for striking the guerilla positions in the hills.

On the ground there has been something to show for the greater commitment of men and arms since last autumn. To the east the coastal strip has been "liberated" up to the town of Sudh, 60 kilometres away, which was captured in February. It is stressed that most of this area can only be considered effectively under Government control when troops are there. But the recently created Dhofar Gendarmerie, recruited *largely from* the old Sultan's bodyguard, is now undertaking routine patrol*ling duties and tribesmen from* the north have been brought down to guard the barbed-wire *fence which encircles* Salalah. The coastal plain to the west including the coastal town of Rakayut, captured in 1969 from the old Sultan's badly armed Askars (guards) remains firmly in PFLOAG's hands.

South of the Jebel there have been limitations on what the Muscat Regiment can do. Of the three companies, only one at any given time is free for an offensive role as the other two secure the plain. However, the NFR operating to the north has been able to harass the guerilla forces from the rear and relieve some of the pressure in the plain. But behind the breezy, professional optimism in Muscat and *Salalah it is hard not to* detect a certain gloom about the war's progress.

Outgunned

At headquarters the current estimate of the hard-core rebels is 700, a body that was recently *reinforced* by some 40 leaders trained in China, North Korea and the Soviet Union according to SAF intelligence. On the spot, however, no one is sure of the numbers. Altogether, there seems to be something like parity *in manpower.* As one officer ruefully put it: "It is usually reckoned that a superiority of at least five-to-one is needed to wage a successful war against guerillas." In the past year the rebels have been armed with 75mm. recoilless rifles with a four-mile range and heavy machine guns in addition to the mortars (3-inch, 82mm. and 81mm.), Bren guns and Russian automatic rifles which they had before.

At infantry level they have outgunned SAF this year—something that SAF's command intends to remedy in the near future. Intensification of the conflict has been reflected in casualties. From last November to the *middle of June,* SAF has lost 24 men killed and over 30 wounded, compared with 44 *killed and 150 wounded* in the entire conflict up to that point. Now it is no longer a "game of cops and robbers," as one SAF officer put it to me.

With limited resources there can be no question of winkling the guerillas out of their Jebel fastnesses, or even sealing them off—a task which would be "trying to confine an army of ants," according to C.O. of the Muscat Regiment. Thus, the strategy *must be what the military call* "interdiction," or the throttling of supply lines.

Three main routes have so far been identified and SAF's command believes that one was put out of action by a mining operation of the Muscat Regiment in April. In an attempt to put the squeeze on the supply lines *the NFR has moved gradually* towards the western end of the Jebel where the range of hills narrows. According to recent intelligence reports, this pressure has already led to a shift of guerillas to the west where, *says* Brigadier Graham, the war will be won.

Dense vegetation providing ideal cover for the camel trains bearing supplies has made it difficult for the Air Force to do what it might to disrupt convoys, especially as the policy is to avoid attacking the civilian population. The simplest method *of all would be to attack Hauf,* the Popular Front's base just over the border in the PDRY. "It makes a tempting target," an Air Force pilot in Salalah says wistfully. But for Oman in search of recognition any such incursion is ruled out.

Furthermore, there is the struggle for the "hearts and minds" of the people of Qara hills. Brigadier Gra[ham] acknowledges the military [vic]tory to be only "40 per c[ent] of the battle." The two ca[n] be unconnected. It must [be] partly as a result of S[AF's] inability to make any dram[atic] *military* gains that there [has] not been more progress on [the] political front. The Governm[ent] *has been able to get under [way]* a £2m. development program[me] which, hopefully, may conv[ince] the people of the province [that] the neglect and isolation suff[ered] under the old Sultan is a[t an] end. Yet, Salalah remains [sur]rounded by barbed wire [and] even within it there is a sec[urity] problem—a recent search o[pera]tion produced 13 suspects i[n the] town.

Second front

SAF's commanders admit [that] the Government is inferio[r at] "Psy-ops" and are clearly [wor]ried about the hold that [the] Front is obtaining on the m[inds] of the hill people. It may be [that] the legacy of the old Sult[an] whose neglect impoverished [the] once rich plain of Salalah [is] too much to overcome. Fo[r the] *Government the struggle is* [com]plicated by the fact that [the] people of the Qara hills ar[e of] a different, pre-Arabic e[thnic] stock with little in common [with] Omanis.

In this situation, S[ultan] *Qaboos can comfort himself* [with] the thought that the threat [of a] second front which app[eared] with the attack on a SAF [post] at Izki in the Oman heart[land] a year ago has not openly appeared. But SAF claim[s to] know from its intelli[gence] sources that the group re[spon]sible, the Iraqi-sponsored [Nat]*ional Democratic Front fo[r the]* Liberation of the Occupied [Arab] Gulf, is liaising closely with [the] Dhofar group. If Britain we[re to] leave behind instability in [the] Trucial States after its [with]drawal at the end of this [year] then the way for subversi[on in] the north of Oman coul[d be] open.

U.K. sells more to Six than to Commonwealth

BY OUR FOREIGN STAFF

BRITAIN'S EXPORTS to the European Community overtook exports to the Commonwealth for the first time in 1970, according to the latest annual report on Commonwealth Trade, just pub*lished by* the Commonwealth Secretariat.

British exports to the Community rose by about 15 per cent. to £1,754m., whereas exports to the Commonwealth rose only 6 per cent. to £1,638m.

British imports from the Community grew faster than imports from the Commonwealth, but the Commonwealth remained the largest collective source of imports with £2,094m., compared with £1,822m. from the Community.

Total exports from all Com*monwealth* countries to all destinations reached £23,120m. in 1970, an increase of £2,800m. on 1969. This represented a rate of growth only a little less than the 14 per cent. increase in world exports, or 9 per cent. in real terms after allowance is made for price increases.

If the figures for British trade are excluded, the Commonwealth increased *its* collective trade surplus with the European Community slightly last year, £61m. *to £76m. Its exports to* the Six rose from £1,314m. to £1,499m., while its imports from the Six rose from *£1,253m.* to £1,423m.

The U.S. remained the Commonwealth's leading trading partner, both for exports and imports, but its share in Commonwealth trade fell from 30 to 29 per cent. as a result of the U.S. economic slow-down. The European Community accounted for 14 per cent. of Commonwealth exports and *imports.*

AUSTRALIA ABOLISHES RPM

CANBERRA, July 22.

Legislation making resale price maintenance illegal was signed into law to-day. It is effective from August 9.

Holyoake quashes resignation pressures with open debate

BY OUR OWN CORRESPONDENT

WELLINGTON, July 22.

PRESSURE which had been building up behind the scenes for New Zealand Prime Minister Sir Keith Holyoake to resign blew itself out in caucus show*down to-day when the future* leadership of the Government was debated at length by all Government MPs.

Sir Keith forestalled opponents who want him to go and who were ready to press the issue of the future leadership by raising the question himself. He made it clear he has no immediate inten*tion of resigning.* The Prime Minister will now certainly remain in office until the end of the present Parliamentary *session in* late November or December.

Sir Keith made it clear that if he can rally sufficient support he would like to remain in office to lead the Government at the next general election in November next year.

The Government caucus is now divided. Some members want Sir Keith to step down in favour of his Deputy, Trade Minister Mr. John Marshall; others would prefer to see the Finance Minister Mr. Robert Muldoon as *leader. But the Prime Minister* still commands sufficient support to dismiss earlier speculation that he would resign at the national party's annual conference next week.

To-day's leadership debate revealed that a former outsider in the leadership stakes, Agricultural Minister Mr. Brian Talboys, was rapidly gaining ground as the other factions divided the caucus.

In spite of efforts by the Prime Minister afterwards to dismiss the importance of the challenge to his leadership, the topic kept MPs debating for more than two hours. The leadership struggle between Mr. Marshall and Mr. Muldoon has been coming more into the open during recent weeks as Mr. Marshall's supporters are anxious for him to profit from the credit he gained from the Common Market negotiations. This is now likely to intensify *behind the scenes in the coming* weeks as both groups endeavour to gain more support. Labour problems could weaken Mr. Marshall's position during the next few months.

Reports on to-day's discussion showed that about a quarter of Government members still strongly support Sir Keith Holyoake and would like him to continue leading the party as long as possible. Most New *Zealand MPs would be reluctant* to push Sir Keith out and the Prime Minister's assurance to them to-day that he would step down if asked has cut the ground from under many of those most anxious to see him go, but not willing to precipitate an open rebellion.

Zambia traffic still depends on Rhodesia

By Our Own Correspondent

Salisbury, July 22.

DESPITE *its policy of traffic* diversion away from Rhodesia railways, Zambia still remains heavily reliant on the Rhodesian system according to figures published here to-day. They show that more than 300,000 tons of Zambian copper were exported through Rhodesia during 1970. In all but two months, the copper traffic exceeded 25,000 tons.

The report of the Rhodesian Secretary for Transport says that *the movement of large* quantities of wheat, maize and fertilizer to Zambia from Beira placed a strain on the railway system which was not made easier by continued congestion on Zambian railways and their "frequent *requests" to cancel trains* moving north over the Victoria Falls Bridge.

The *report* also *says* that no meetings were held by the committees of Rhodesian and Zambian officials established to decide the final division of the assets and liabilities of the former unitary railway system *and Central African Airways* Corporation.

Indian air space violation

NEW DELHI, July 22.

INDIA has lodged a strong protest *with Pakistan against* an alleged violation of its air space over Kashmir by two Mirage jet aircraft, a Foreign Ministry spokesman said to-day. The Note was delivered to the Pakistan *High Commission* here *but* contrary to normal practice, the Indian Government did not *release the text.*

In reply to questions at his daily Press briefing, the spokesman said the two planes had flown from the north-west at a fairly low level over the capital of Kashmir, Srinagar, on Tuesday.

He declined to give any further details of the alleged incident, but described the tone of the *Note as very strong.*

A Defence Ministry spokesman had earlier also been reluctant to go into detail and would not confirm a Press report that Indian armed forces had been placed on a special alert on the *western borders* following the alleged overflight.

There was no official explanation for the unusual reticence.

Observers believed the Indian Government might want to avoid drawing particular attention to the matter at a time when its relations with Pakistan were strained over the East Pakistan crisis.

Reuter

Tokyo stand on China

TOKYO, July 22.

JAPAN will not object to the admission of China to the United Nations, a Foreign Ministry spokesman said to-day. But at the same time, he said, Japan would maintain its position of supporting the continued seating of Taiwan in the world body.

Japan was not advocating a two China policy, and was not in a position to decide on the rival claims made by the Communist and Nationalist Chinese govern*ments to represent the whole of* China, the spokesman said.

Prime Minister Eisaku Sato yesterday told parliament he would like to visit Peking to discuss normalising Sino-Japan relations, including the possibility of diplomatic recognition if China would show understanding of Japan's stand on various historic issues.

Mr. Sato told parliament to-day that his statement on a desire to visit Peking should be regarded *as a formal proposal to China.*

Reuter

CENTRAL HELP FOR WEST BENGAL

By Our Own Correspondent

CALCUTTA, July 22.

THE FINAL West Bengal budget just presented in Parliament by the Central Government—as is constitutionally required when a state is under President's rule—has a manageable overall deficit of Rs.193.4m. This is entirely because of generous central help.

The main feature of the state's present finance is the heavy dose *of India Government aid in* various forms.

Vehicle and General Tribunal of Inquiry

Explanation of company's "magic" sought

EXPLANATION of the "magic" of the Vehicle and General Insurance Company and its difference from other organisations in the insurance field was sought at yesterday's V & G Tribunal hearing by one of the members, Mr. Michael Kerr, QC.

Mr. Norman Nail, a principal in the Department of Trade and Industry, continuing his evidence, was referring to the V & G accounts when Mr. Kerr asked:

"On these figures it seems that V & G were doing something quite remarkably different from 30 other very experienced and established companies.

"I appreciate it was all U.K. business, or nearly so, but what was the magic it was thought V & G had?"

Mr. he added, what was it the other companies were doing which one thought they might in the circumstances not wish to go on doing.

Private cars

Mr. Nail said that V & G was doing only private motor car business at the relevant stage and not commercial vehicles. And it was in the U.K.

V & G was selecting a particular brand of private motor-car business. It was covered by a very generous reinsurance arrangement which lifted from it practically the whole of the liabilities—it was only really paying damage claims—and that, he thought, was the main difference which made the V & G business so much different from other companies.

Regarding the other companies, since they were large and in practically all cases they would have much higher retentions on their reinsurance.

Mr. Nail said many of these big companies would include reinsurance business on private cars whereas V & G at this stage had no re-insurance business.

Mr. Kerr asked why these companies were doing unprofitable business while V & G was doing the business so successfully.

Mr. Peter Webster, QC, for the Department of Trade, pointed out that on the 1963 account the V & G profitability was 11 per cent, while U.K. members of the British Insurance Association doing motor underwriting in that year were showing a loss of 2.8 per cent. He asked for Mr. Nail why these companies were willing to go on making a loss, and why he thought BIA members were prepared to go on underwriting unprofitable business.

Very narrow band

Mr. Nail replied that they were in the business of insurance and no doubt they hoped by changes in risk-taking and their rates they could get out into profitability.

V & G was taking a very narrow band and because of the existence of the tariff and the way in which the market was organised, it was nipping in and taking a profitable small area of business."

Mr. Nail said he thought the reason the tariff was abandoned and *many companies who were* doing private motor business started to introduce policies similar to the "proven motorist" type was proof of this point.

Another member of the tribunal, Mr. Sydney Templeman, QC, questioned whether V & G reserves were adequate. If its reserves were inadequate it was not making a profit but making a loss, he commented.

Mr. Cyril *Homewood, an* Assistant Secretary in the DTI, replied that if one assumed that V & G's *provisions* were not adequate, then its results were changed.

Mr. Webster asked whether it would be possible, if there was under-provision for the years 1961 to 1966 inclusive, to show sooner or later?

Mr. Homewood said he thought the claims outstanding and claims paid ratio would reflect this in four to five years.

Likely recoveries

During discussion on how V and G estimated, in its annual accounts, the amount of money it was likely to recover from third parties on claims, Mr. Kerr wondered how this would be shown in the accounts where a company—like V and G—was not operating knock-for-knock agreements.

Mr. John Arnold, QC, one of the counsel for the tribunal, referred to a record of an interview between BIA and Mr. Anthony Hunt, former chief executive of V & G, from which it emerged that a gross figure in the accounts did not relate to reinsurance nor recoveries it expected to make from other insurance companies because they did not operate knock-for-knock agreements. They in fact put this figure as 80 per cent. of what they actually expected to recover.

Mr. Arnold said this was a conservative estimate of what they thought they would get back in their negotiations.

Mr. Kerr then said he wondered whether the department had any information at that time as to how these estimates of recoveries were arrived at by the company.

Mr. Nail told him that he had assumed at the time they were arrived at in the same way as an estimate of outstanding claims and what would be recovered on these claims, and an estimate of what the claim was worth gross.

Mr. Nail added that it was now revealed that they only took a figure of 80 per cent.

Mr. Kerr asked him: "If you are operating knock for knock you are merely putting a figure on what you think the liability will be for physical damage to the insurers' car and anyone injured for whom you are legally liable under the policy.

"In the other case you are taking your insurers' word for what is the likely apportionment of blame to be reflected ultimately in a recovery by litigation on negotiation.

"I wonder whether it struck you this kind of estimate could *be a very different kind of estimate* to one of outstanding claims?"

Mr. Nail told him that he thought this was a more risky estimate than an outstanding claims estimate. But in a sense it had been part of V & G's selectivity policy because the drivers were so good they could make a reasonable estimate of what would be recovered when involved in a claim. This was different from estimating what a claim would be.

Dealing with other documents, Mr. Webster referred to a departmental minute which stated that an examination of the V & G accounts showed a solvency margin percentage for the year ended December, 1965, as 61 per cent.

Evidence was also given by Mr. Horace Herbert Knight, of Kingsbury, *London, who became a civil* servant in 1944 and went into the insurance companies' department of the Board of Trade in 1966 on his promotion to senior executive officer.

Mr. Knight, who now holds the rank of principal, said that during his service in the insurance companies department he was concerned with the supervision of insurance companies and had done work in connection with every company that had failed since July, 1966. He was responsible for the supervision of about 300 insurance companies.

New margin

He said that in July, 1967, he issued instructions regarding the examination of future insurance companies' accounts. The purpose of these instructions was to draw attention to the new solvency margin requirement under the Companies Act, 1967, and to provide a method of checking the unexpired risk reserve and outstanding claims by reference to the actual experience of the company. Also to provide for re-examination at least every three years by a more senior officer of every insurance company's accounts.

Asked by Mr. Webster for the *DTI what was his intention if a* company failed to satisfy one of the tests he had prescribed, Mr. Knight said the accounts were referred to him, or probably higher, and consideration given to taking appropriate action under one of the sections of the Companies Act.

He agreed that they fulfilled the same functions as previous instructions and were a screening process but they were meant to supplement existing instructions.

Mr. Knight said that in 1967 there were six to eight failures and there was a terrific overload of work and examinations of accounts went into arrears of about four or five months.

The tribunal adjourned until to-day.

Mining companies set up inquiry into national parks exploration

BY JOHN HUNT

Rio Tinto-Zinc Corporation and six other mining companies have set up an independent commission to investigate the controversial question of mineral exploration and eventual mining operations in the National Parks.

The move follows the strong protests which came from amenity organisations when Sir John Eden, Minister for Industry, recently announced a £50m. scheme to encourage mineral exploration in Britain.

This would inevitably lead to exploration in the National Parks where the oldest and richest deposits are to be found. Rio Tinto-Zinc already has permission to explore in the Lake District and Snowdonia.

The news that a commission had been established received a very cool reception last night from various amenity associations. The general opinion was that they would need to scrutinise it closely before agreeing to give evidence.

Rio Tinto-Zinc announced that it had taken the lead in the matter because it felt it was up to the mining companies to show their good faith by taking a responsible initiative to review the issues and problems involved.

Objectives

The chairman of the Commission will be Lord Zuckerman, chief scientific adviser to the Government until his retirement in March. The members will be Viscount Arbuthnot, convenor of the Council of the Scottish Landowners Federation; Professor C. Kidson, Professor of Geography at the University of Wales; Mr. M. Nicholson, chairman of Land Use Consultants; Professor Sir Frederick Warner, senior partner of Cremer and Warner, and past president of the Institute of Chemical Engineers.

Their terms of reference are to consider the current governmental measures to stimulate the use of national mineral resources and the general concern for conservation and how these objectives can be harmonised.

The terms also instruct them to examine the relevant problems of exploration, mining, continuous rehabilitation *and reconstruction* of sites.

They will make recommendations designed to reconcile economic and technical considerations with requirements of national policy—especially planning as it affects amenity, recreation and scientific and historical interest.

The commission will start work in September and report next spring. The report is intended as a work of reference for the formulation of principles and the application of these principles to particular cases.

Land Use Consultants will act as secretaries and the commission will welcome oral and written evidence. Communications should be addressed to the Secretary, Sloane Street, London, S.W.1.

Mr. Chris Hall, national secretary of the Ramblers Association, immediately pointed out that the commission contained no representative of the amenity or environmental interests.

"It looks rather lopsided and it doesn't seem to be sufficiently representative," he said. "We would want to know a lot more about it. It is obviously a matter to be discussed by our executive, but our attitude will be one of *extreme caution.*"

An official of the Holiday Fellowship, the non-profit organisation which has guest houses in the National Parks, took a similar line. He commented: "We would have to look at it carefully and be assured it is impartial."

The other companies backing the commission are: American Metal Climax, Charter Consolidated, Consolidated Gold Fields, Noranda Mines, Selection Trust, *Union Corporation.*

WINE SALES

High prices for clarets

BY EDMUND PENNING-ROWSELL

IN THEIR last fine wine auction of the season, Christie's yesterday realised high prices for a sale dominated by leading post-war clarets. In addition to good figures for fashionable vintages such as '45, '59 and '61 which continue to appreciate, yesterday's full house—apparently in an end-of-term or buying spree mood—paid surprisingly high prices for less popular and in general less attractive though not bad vintages, provided that the name on the label was right —in other words a leading growth.

For example, among the hitherto rather neglected '52s, Latour at £160 a case was nearly £100 above its previous level, Mouton Rothschild made £98 and Ch. Margaux £70. New records were established also for the '55s, a sound rather than an outstanding year. Lafite made £96, Mouton Rothschild £90 and Haut Brion £84; Palmer went for £48. The far less popular '57s made good prices at £46 each for Margaux and Mouton Rothschild. Then among the somewhat overshadowed '62s Latour brought £54 and Cheval Blanc £52.

It is interesting that even younger Bordeaux leaders are entering the saleroom. Yesterday Cheval Blanc '64 went for £54 and Haut Brion for £47.

The top price of the sale was given for that favourite of foreign buyers, Cheval Blanc '47, whose regular appearances at these sales have tended to stabilise the price. But yesterday a case sold for a clear record of £185.

Otherwise the '61s dominated the sale. Lafite went up to £155, Latour to £140 and Cheval Blanc £135—all records. Margaux made £120, a record for these rooms but £20 less than at Sotheby's in May. Two cases of Pétrus '64, a very rare wine in Britain, sold at auction here for the first time, made £140 a piece. Magnums of La Missions Haut Brion made a new record of £84.

Lower down Bordeaux's somewhat rigid social order, Ceychevelle '61 reached £54, while its St. Julien neighbour, Ducru-Beaucaillou made £48, and those two adjacent second-growth estates, Pichon Lalande and Léoville Las Cases, each went for £55. Pape Clement, an esteemed red Graves, brought £40. It is clear now that one cannot expect to buy at auction a Château-bottled '61 of repute for less than £3 a bottle.

In the wake of these prices a small section of Louis Latour and Romanée Conti burgundies made very moderate figures, though La Tâche '61 touched a new high at £100 for six magnums.

The sale reached an above-average total of £25,225.

Independent university still uncertain

By Michael Dixon

AFTER two and a-half years of *planning, the idea of an Independent* University free from State financing is still not sure of becoming a reality.

Sir Sydney Caine, chairman of the planning board, said in London recently that the next stage in the project would be a feasibility study. The final decision on whether or not to go ahead would probably be reached by next Easter.

The planners are discussing several sites with local authorities, including a 60-acre area at Buckingham. They have also appointed a shadow vice-chancellor.

He is Dr. Brian Thwaites (47), former professor of mathematics at Southampton and now principal of London University's Westfield College.

Cabinet told of Malta's terms

By Michael Simmons

LORD CARRINGTON, the Defence Secretary, reported to Mr. Heath and the Cabinet yesterday on the outcome of his talks with the Maltese Prime Minister, Mr. Dom Mintoff, about a new defence agreement.

Nothing of what he told the Cabinet or what the Cabinet then decided has, of course, been disclosed by Whitehall officials. But it can now be expected that the British Government will draw up some tough counter-proposals to the unacceptable terms offered by Mr. Mintoff.

For the present, the British view is that a studied silence will probably achieve most. Not until next Monday, at the earliest, will something further of British thinking be revealed.

A Parliamentary question, seeking to learn something of what Lord Carrington actually learned from Mr. Mintoff, has been tabled for that day.

Tyne's addition to roll-on facilities

By Ray Dafter

PORT OF TYNE Authority yesterday brought into use additional facilities to cater for the expanding traffic on the DFDS roll-on, roll-off freight service between the Tyne and Esbjerg, Denmark.

The facilities, which cost about £100,000, include a new transit shed with an area of 18,000 square feet and an additional 46,000 square feet container compound. A further 71,000 square feet of lorry standing space has also been provided.

The development is in the area of the Whitehill Point roll-on berth, North Shields, which is used by DFDS and Bergen Line ships.

DFDS introduced its roll-on and container service in November, 1969. It replaced conventional services which were carrying about 60,000 tons of cargo a year. After the first year of the new operation tonnage had topped the 100,000-ton mark.

"It is the continued increase of traffic that has led to the provision of these additional facilities," said a DFDS spokesman.

Tyne cargo trade stays at 1970 level

SOUTH SHIELDS, July 22.

THE TYNE'S general cargo trade over the first half of the year was much the same as in the corresponding period of 1970.

Imports of general goods for the six months to June 30 at 1,830,170 tons were 22,830 tons down, a decrease of 1.2 per cent.

But exports rose by 1,762 tons to 163,245 tons, an increase of 1:1 per cent. The figures are somewhat disappointing, as gains made during the early part of the year have since been wiped out.

This applies particularly to imports, which dropped sharply during May and June. The main offender was iron ore, which was down by 93,000 tons, nullifying improvements among other commodities. On the export side, the main increase was in shipments of oil fuels.

Report on industrial tariffs

REPLYING to a question in the Commons yesterday, Sir Alec Douglas-Home, Secretary of State for Foreign and Commonwealth Affairs, said details of the arrangements on the tariff treat*ment of industrial materials* reached in the conference between the U.K. and the European Economic Community delegations would be published in the Official Report.

These details will also be published in the July 29 edition of Trade and Industry.

The industrial materials referred to are phosphorous, unwrought aluminium, silicon carbide, ferro-silicon, ferro-chrome, wood-pulp, newsprint, unwrought lead, unwrought zinc, wattle extract, plywood, alumina and tea. They are referred to in Annex B to the White Paper: The United Kingdom and the European Communities.

James Page City's new police chief

THE NEW City of London Police Commissioner will be the present Assistant Commissioner, Mr. James Page, 46. He takes over the £8,000-a-year job on December 1 when the present Commissioner, Sir Arthur Young, retires.

He is the first new Commissioner for 21 years.

Mr. Page intends to declare war on the walk-in-thief—one of the biggest headaches for City offices. "We will aim to help these offices to help themselves in crime prevention," he said after his appointment was confirmed by the Court of Common Council. His one concern was the lack of manpower.

EXCLUSIONS TO TIMBER ANTI-DUMPING ORDER

The particle board section of the Timber Trade Federation have been told by the Department of Trade and Industry that it is prepared to consider the exclusion of "specialist" boards from the "anti-dumping" provisional order imposed on July 8.

Department officials said that although the order, which is effective for three months, could not be rescinded, consideration would be given, to the exclusion of special lines such as coated board and integral tongued and grooved flooring. It was confirmed that in any case wood-veneered chipboard would be excluded.

INDUSTRIAL TRAINING

BY ELSBETH GANGUIN

An apprentice in the wild

"IT is no use talking about the good living on top of Snowdon—unless what they see is applicable to the back streets of Birmingham, you are doing the lads a disservice," said Mr. Dick Allcock at the Royal Show at Stoneleigh earlier this month. Mr. Allcock used to be a farmer, but his presence at the Show had nothing to do with that. He was there to demonstrate "endeavour training" *to employers* and their young employees.

So there was a show tent, next to stands advertising Britain's ancient monuments, the National Trust, Shellstar, the Agricultural Training Board, and there was a display: a team from Massey Fergusson competed with another from British Leyland in an obstacle race in the main ring. It was accompanied over a loud-speaker by a commentary about endeavour training, and by songs recorded at an endeavour group's outing to London.

How much of it went home was hard to tell. The ladies in garden party hats who graced the grand stand and their escorts with their shooting sticks applauded in a well-mannered fashion, just as they had done for the preceding hunt display.

Optimist

Allcock is a great optimist. He founded Endeavour Training after the war. "I felt I had gained a lot from farming that I could pass on and I chose to work with young people instead of continuing farming; it's a family tradition—my grandmother ran one of the first free schools in Norfolk." He had not been really happy with post-war youth work. "We had gone through the war expecting and getting a lot from our young men and women, and that momentum was not retained."

He had felt that "brigade or scout" enterprises should be adapted for the ordinary boy—*who should not be afraid of* discipline, but need not be made to wear uniform. The normal run of youth work had lacked the adventurous approach, Allcock felt, but, more important it had left out drama, the arts, and music.

Endeavour Training was to reflect "the whole business in living," including a "spiritual awareness without ramming religion at them." Young people should become conscious that "life is one enormous endeavour —there is nothing for nothing." After years in association with others, endeavour training has for the past 18 months been an independent organisation. Lord Hunt is its president, and it is backed by an executive and council, consisting of well-known industrialists and educationalists. "We get growing support from industry, and there is no shortage of volunteers; it is just finance we lack," said Allcock. "We have raised about £35,000 over seven years, but we really need £100,000. We have just enough money to last till the end of September." Employers pay for the cost of training plus 25 per cent.

Endeavour trainees are youngsters mainly craft or technician apprentices—from 16 to their early 20s. They go on four types of course. They are: introductory week-ends, held at residential centres, "primary endeavour," covering four week-ends or one full week plus a week-end, part of it in a residential centre and the rest in the field. Half the time is spent climbing, canoeing, and so on, the other half talking; listening to music, *acting and singing.*

Week-ends

Then there is "two-year endeavour" for the 17 to 19 year olds followed by "advanced endeavour" for the 19 plus age group. These consist of two week-ends in a residential centre, one in the field, and two weeks on a major expedition organised by the participants themselves. Examples are: five days in the Black Mountains or the Highlands, helping at the Cheshire Homes, a visit to Czechoslovakia, work with the Nature Conservancy, a theatre visit.

The instructors and trainers are all volunteers. (It costs £800 to train one course director, which takes five years.) Allcock himself works from a small office in Coventry. He told me that during the present training year (ending in September) some 600 trainees took part in the various activities. They were looked after by about 100 volunteers of "tremendously wide backgrounds." One group ran a camp for 80 children in Northern Ireland this year, there were three camps for educationally subnormal children, and three renovating and repairing projects were carried out for industrial archeological societies.

"We were working on canal locks in Gloucestershire, and at a watermill in Northamptonshire. I would like to see every young person have the opportunity of doing at least a three-year endeavour programme as part of his *social education.*" Allcock declares that there are three legs, or "disciplines," to education: school, work and social—and what he wants Endeavour to do is to "provide the boys with the workshop experience for them to acquire the social discipline for themselves."

The trouble is, I suppose, that there is quite a lot of competition, even if Allcock regards all the other schemes as complementary to his own. There are organisations like Outward Bound, the Sail Training Association, Brothay Hall, the Duke of Edinburgh's Award Scheme, and many others. And there are company schemes, too. Not so long ago I looked in on a course run by Tube Investments in the hills of Wales, and I have just been to the Cleveland Hills, where Imperial Chemical Industries, Agricultural Division of Billingham, Teeside, runs the basic course in its three-tier Discoverer Scheme.

The basic course lasts for 10 days. The two senior courses, spread over various sessions, are held partly in the Lake District. The participants in these senior courses sometimes become instructors and tutors for the basic courses. This year there were two of these. I met 28 boys, long-haired, *some of them tough-*looking apprentices, process workers or laboratory assistants, aged 17 to 19, on what is called "the site." This is on Forestry Commission land at the foot of somewhat barren-looking hills. The main "building" bought for £120, used to be contractors' hut. The five sleeping huts, arranged in a semi-circle, were made from packing cases.

When I arrived, the boys were busy weatherproofing them by nailing bark against the outer walls. Water is piped from a spring way above in the hills. There are two taps above what looks like a feeding trough, for washing. A shower flows from an upturned paraffin tin. All outside, of course. The bunks are of sacking. It is, in fact, primitive, uncomfortable, and none to clean. And the boys love it.

They get the time off (with pay), but must bring £2.50 per head. Almost all are volunteers, but one or two were sent; and it is they who miss their "personal comforts," but who still cheerfully make the best of a bad job.

The man who runs it, Al Hart, is as dedicated to the cause as Endeavour's Dick Allcock. For the rest of his time he trains supervisors back at the works. He gets a budget from the company of £2,500 a year, out of which must come the boys' wages while they are on the site, and the wages of the instructors. Apart from paying a nominal sum to the Forestry Commission, Hart reckons it costs about £350 per course to feed and keep the boys. The cook—an instructor—had never cooked before. He did his own provisioning—and not one of the boys complained about the food.

There are only about 10 per cent. more applicants than places on the courses, and perhaps 15 *per cent. of all the boys who* are eligible to join do so. "Most of the lads who come here want to get ahead at work and in life," said one 17-year-old plater apprentice, adding that there was a split in the workshop between those who did and those who didn't. "They think we are barmy." Hart said the whole venture started back in the 1950s when it was felt that something had to be devised to get through to the boys.

Challenge

Most of the boys I talked to while they were mapping out their routes for a two-day hike were cheerful, pleasant and naturally polite. They also came out with such surprising statements that I wondered whether they had been briefed. This they firmly denied. Why had they volunteered, I wanted to know. "Because it's a challenge—I knew it would be tough." Other comments were: "I was going to prove that I can do it . . If you do well, it helps you at work —they pick out leaders."

Unrehearsed, this was quite remarkable, coming as it did from what could have been a difficult bunch of toughs. During the 10 days they do all the usual things, like map reading, first aid, orienteering exercises, camp projects. They were to have seen appropriate films—but the generator had broken down. It left them all quite undismayed.

I would have, put them on scrubbing "fatigues" instead—or ICI might have sent them some materials with which to make the place just a little more habitable. But the boys, no doubt, prefer it this way and it is they, after all, who are meant to benefit.

CWS opens first regional distribution centre

BY DAVID WALKER

THE FIRST in the £10m. Co-operative Wholesale Society chain of 27 regional grocery distribution centres has opened at Newport Pagnell, Buckinghamshire. A second, at Longridge, near Preston, is to begin operations next month, the CWS revealed yesterday.

The project forms an integral part of the CWS's current drive to modernise its entire operations in a bid to improve the now stagnant share of total grocery trade held by the Co-operative movement.

Major change

When completed, the computer-controlled chain will mark a major change in the relationship between the CWS and retail societies, which until now has been one of merchant and customer. The aim is for the CWS to move into a position of being a central procurement and supply organisation.

Already, the CWS disclosed, the £105m. a year Co-operative Retail Services, whose involvement in the warehouse scheme came under some doubt earlier this year, and the £70m. a year North Eastern Co-op have entered into agreements making the CWS their sole grocery buying agent.

The centres also represent a major streamlining of societies' foodstore supply organisation. Nearly every society has been operating its own grocery warehouses, and, up till five years ago, there were some 300 of them.

In addition, they provide a basis for concentration of the movement's buying power. "By the end of the next year, the chain will exercise an effective grocery buying power of nearly £150m. a year," the CWS estimated.

"If all societies were associated with the centres, the CWS's buying power would be more than twice that of the movement's largest competitor."

The Newport Pagnell centre, which is on a three-acre site, serves 19 retail Co-ops with a total of 200 shops. When it is fully operative in the autumn, it will be responsible for £9m. trade a year. The stock range covers around 2,500 lines.

هكذا من الأصل

The Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

● METALWORKING

Economical rolling of bronze

A *PENDULUM rolling* mill has been installed and commissioned by John Wilkinson and Sons (Saltley), part of Imperial Metal Industries, at its Birmingham works.

Continuously-cast phosphor-bronze strip 6 inches wide by ½ inches thick is being rolled to 0.050 inch in one pass. Conventional rolling would have involved six passes through a two-high mill, one annealing process, one cleaning operation and process trimming of the edge of the strip. All of these are eliminated by the use of the pendulum mill, according to IMI, at a considerable saving on conventional processing.

Equipment is being provided to enable very large coils of similar cross-section to be rolled thus eliminating a further process of welding strips together to form the large coils necessary for finish rolling on high-speed mills.

The pendulum mill, developed by IMI, achieves a reduction in the thickness of the metal by the movement backwards and forwards of the opposed pendulum arms carrying two small diameter work rolls. These work rolls are not driven—though the pendulum arms are—but rotate by contact with the strip, which is forced into the gap between the work rolls by feed rolls.

In February it was announced that IMI had signed a non-exclusive *licensing* agreement for the manufacture, sale and servicing of its Saxl pendulum *mills by the Josef Frohling* Walzwerksmachinenbau of Olpe, West Germany.

Portable welder

A SMALL air cooled AC arc welding transformer known as the Nu-arc 130 is now being offered by Numatic Engineering of Sherborne Road, Yeovil, Somerset.

Having a capacity of 130 amp it *is suitable for welding duties in* garages, light engineering establishments and machine shops, *agricultural machinery repairs,* use on building sites and for servicing and repair work. In *addition the company says it is* also ideal for preliminary tack welding on heavy duty applica*tions prior to final welding.*

The transformer operates from 240V AC and has switched outputs of 50, 70, 90, 110 and 130 amps thus enabling it to be used with a wide range of electrodes from 16 s.w.g. to 10 s.w.g. (1.6mm to 3.2mm). Numatic claims exceptionally stable arc *characteristics, with trouble free* current regulation ensured by the incorporation of a positive plug-*in socket for each current rating* as opposed to a dial found on many competitive units.

*Each unit is supplied with elec*trode holder and earth clamp prefitted to 10 feet of heavy duty welding leads.

Galvanising in a gas

A LICENCE has been granted to Johnson and Nephew (Steel) by Australian Wire Industries for the production of galvanised wire by a new process, under an agreement signed by Mr. Peter Johnson, managing director, during a recent visit to Australia.

The process is know as "gas *wipe galvanising" and uses a* gas atmosphere to control the thickness and quality of the zinc *coating on the steel wire core.* Australian Wire Industries has been using the gas wiping process commercially for approximately five years and recently it has been extended to plants throughout Australia.

Existing galvanising lines will be converted to gas wiping shortly, and it is Johnson and Nephew's longer term intention to replace these lines, which were the first commercial galvanising lines in the world, with two new high-speed lines.

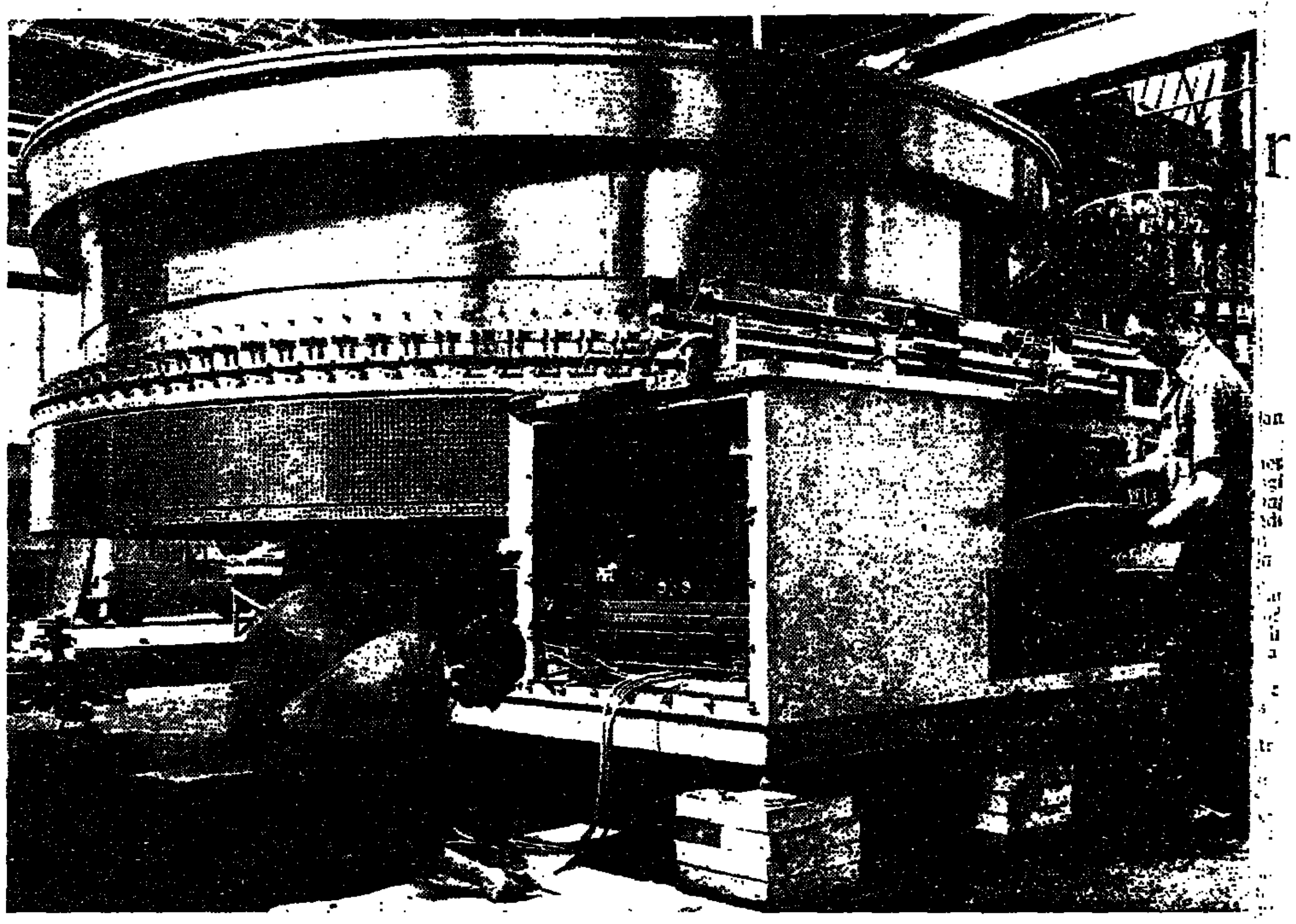
Johnson and Nephew produce approximately 20 per cent. of the galvanised wire used in the United Kingdom, in the manufacture of spring wire, barbed *wire, chain link fencing, stock* fencing, cable armouring and many other products. The new process will produce wire of a higher quality than previously obtainable with hot dip processes.

High-speed bending of tube

UP TO ten angles, planes and distances between bends can be *set up for semi-automatic pro*duction on a tube bender manufactured by the Addison Tool Company *of Eastwood Street,* London, S.W.16.

Control can be in the manual mode for setting-up purposes, but production is semi-automatic. It is possible for the machine to produce up to 500 bends per hour. Design is such that bends can be made right up to the end of the tube, thus eliminating wastage of material.

Drop-away clamp dies are used, eliminating a major cause of tube marking. In addition, the follower *slide* has enough tolerance to take up slight variations in tube diameter.



GETTING ready for the 1971 Interbrau exhibition at Munich in September, engineers of Vickers *Vandergeeten, Brussels, Belgium,* are putting the finishing touches to the largest bottle filler in *Europe*—124 head. *This* machine has already been sold to a Belgian brewery and will be on full operational display at the Munich exhibition. In the background, taking shape, is an 86 head filler, completely dwarfed by the new machine. Interbrau will provide the first opportunity for the recently consolidated malting and bottling division of Vickers to show its capabilities to overseas customers. Vickers acquired over 95 per cent. of Usines A. Vandergeeten of Belgium (a private company manufacturing bottle machinery) in February 1971, by agreement with the Vandergeeten shareholders.
In addition to Vandergeeten the division *includes Robert Boby's* malting equipment business and Crayford's bottling machinery—*thus bringing under one umbrella* facilities which between them can provide much of the equipment needed by the drinks industry.

● INSTRUMENTS

Scope with store

AS the complexity of electronic equipment increases, the demand for quick fault location imposes additional demands on test equipment manufacturers.

Oscilloscopes are the most frequently used instruments in any but the simplest of electronic equipment, and Tektronix, of Harpenden, Herts., has announced an instrument that combines all the facilities *of a* normal 'scope with storage facilities at a price that can be afforded by service organisations.

Two instruments have been announced by the company, one with storage and one without, but otherwise sharing the same specification. Both instruments use solid state electronics, have a bandwidth of 25MHz. and have dual traces. In addition, deflection factors between 1mV and 10mV, in 13 steps, can be selected. Sweep rate can be altered from 200 nanosec per division to 5 sec per division in 23 steps. A magnifier reduces the *sweep time to 20* nanosec per division if required.

Lighted knob skirts automati*cally indicate the selected value,* claimed to reduce the occurrence of wrong settings, especially *when using the optional 10X* probe.

Overall dimensions of the unit *are 5.75 inches high by 21 inches* deep by 13 inches wide. Height, in the rack-mounted version, is *only 5.25 inches. Overall weight* of the free-standing version, complete with panel cover and accessories, *is 20.75* lbs.

Electronic height gauge

AN ELECTRONIC system for making vertical measurements on engineering components has been put on the market by *Thomas Mercer of Aylesbury,* Buckinghamshire.

The system uses a ball-ended *lever coupled to a transducer* coil unit to form a probe system which is connected by a cable *with one of the Mercer 155 range* of electronic gauge units.

A particular advantage says *the company, is the facility for* accurate gauging over the plus or minus 0.5mm (0.020 inch) *range of stylus travel. The probe* features a special paralled spring suspension which eliminates *cosine error* which in turn enables both a 25mm and 50mm (1 inch and 2 inch) nominal length stylus to be provided as standard, each with a 3.2mm (0.125 inch) diameter tungsten *carbide* ball.

The probe may be operated with the stylus in any position *throughout a full 180°, and a* single multi-turn screw adjusts stylus force from 0.20 gram for *both top and bottom operation* and to control length of stylus travel.

Gauges slow repetition rates

THE TYPE 2008 ratemeter/timer introduced by Sangamo Controls of North Bersted, Bognor Regis, Sussex, can measure rates of cyclic operation from 400 cycles per minute down to one cycle per minute.

The device will operate from any source that provides either contact closure or a positive-going signal between two and 50 volts DC, such as mechanical switches, photoelectric devices and *proximity* switches.

Rate in cycles per minute and also time interval in seconds be*tween operations repeated cycli*cally are read on a moving coil meter, but an electrical output *is also provided for recording* purposes or to drive remote meters.

The meter measures 8 x 6 inches, weighs 4 lbs and oper*from 240 volts, 50 Hz.*

Precise way to handle small bits

ONLY one control is needed complete manipulation of p with the micromanipul recently announced by Rese Instruments of Kernick R Penryn, Cornwall.

These manipulators are ticularly suitable for test grams on microcircuits s *they allow test probes to be* cisely positioned. A feature the equipment is that the m *ment of the operational pa* always in the same sense as controlling lever, and thus *den reversal of movemen* made much easier for operator.

● DATA PROCESSING

Computer service for actuaries

ACTUARIAL calculations in life assurance, pension fund and similar work are notoriously complex and can consume a great deal of time. The application of computers—seemingly a natural step—has been, according to Pensions and Computer Services of 43 Dean Street, London, W1V 5AP, a problem because actuaries have just the same difficulties communicating with data processing experts as do many other commercial people and, if they do try to come to grips with their in-house computer they find they are near the back of the queue because the normal, big-throughput jobs take priority.

PICS claim to be able to provide the solution with a new service they are offering which will use ITT Data Services' computer time-sharing network.

They call the system ACT and steer clear of the word "language" altogether. This is possible, says PICS senior partner Geoffrey Humphrey, since all dealings with the computer are in terms fully comprehensive to an actuary, who, he claims, can become familiar with ACT in half a day. At present, he says, actuaries are faced with the problems of computer languages such as Fortran which are expensive in programming and testing time and likely to be about three times more costly than ACT.

As a further simplification, PICS has already available a series of thirteen pre-written programs, starting with a utility package which will perform most standard actuarial calculations, and ranging through compound interest, whole life premiums, immediate annuities, endowment *premiums, and pension fund* valuation factors, among others.

...and for auditors...

*AN addition to the Midlands Com*puting Centre's range of accountancy packages is an Auditors' Time Billing System (ATBS). The system is a modular and was developed in close consultation with a group of chartered accountants.

To provide the greatest convenience to users ATBS was designed around the basic concepts of flexibility and ease of implementation. In spite of the fact that common problems face most firms of chartered accountants, experience at Midlands Computing Centre has shown that individual companies require to retain their identity in the processing of their data. The ATBS gives the user flexibility in determining his exact requirements, without the usual expensive penalty for such individuality.

This was achieved by using Programming Mode 3 (PM3) which was developed by Bedford Computer Service as part of a joint venture contract with the *Ministry* of Technology, under the advanced computer technology project.

Advantage to the user lies in the limited number of source documents used for the ATBS. Only five basic source documents, most if not all of which will already be in use in any *manual or machine* accounting system, are required.

A minimal amount of clerical effort is required at a period-end to complete the documents ready for despatch to MCC, provided the documents are completed on a daily basis and as an entry is raised. The only time then required is a few minutes of a comptometer operator to total and cross cast the documents that contain values to establish control totals.

The user has the choice of *preparing his own* data into a suitable media for computer input, or delegating the responsi*bility to the bureaux who are* well equipped to cope with data preparation. All data, if pre*pared by the bureaux, is punched* and verified before being processed by one of the four computers *in the organisation.*

...and designers

THE Computer Aided Design Centre, Cambridge, is planning a programme of special presentations to take place in the Piccadilly Plaza Hotel, Manchester, from September 28 to October 1, 1971.

Presentations by the Centre's consultancy staff will be supported by demonstrations on a variety of computer terminal equipment, including teletypes and remote plotters, storage tube graphic display terminals and a remote satellite computer with interactive graphic display console. Practical design programs will be shown "on-line" to the computer system at Cambridge. The emphasis in the lectures and demonstrations will be on the applications of computer-aided design in specific industries.

Anyone wishing to attend these free sessions should contact the Chief Consultant, Computer Aided Design Centre, Madingley Road, Cambridge CB3 0HB.

● ELECTRONICS

Digital board tests

A GREAT *deal of testing of digi*tal printed circuit boards, according to Honeywell, is either being *carried out using very expensive* purpose-built equipment or else is left until the boards find their *way into a complete product*—at which point fault location can become an expensive proposition.

To remedy the *situation,* the company's test systems division of Eaton Road, Hemel Hempstead, Hertfordshire, has launched a low-cost, high-speed digital test unit known as the "Swift."

Capable of applying one million tests per second, the unit will deal with a 20 input board in about one second and is intended for five volt TTL-compatible printed circuit boards, integrated circuits, MSI modules and similar devices.

Capable of being used by an unskilled operator, the unit, says Honeywell, cuts the testing time for a typical assembly using *conventional* component techniques from about 30 minutes to about two seconds.

At £890, *the company says that* the "Swift" puts automatic testing within the reach of many *small companies making* PC boards on sub-contract. It can be set up for a given type of *board in minutes and for long* production runs a matrix plug is pre-wired for each specific board type.

For low volume production boards, "Swift" works on the basis of comparison of the test board with a known, sound, board, both being plugged in on the front panel. The outputs of corresponding pins on the two boards are continuously monitored: if any difference is detected the sequence is stopped and a corresponding indicator lamp (or lamps) on the panel lights up.

The unit weighs 18 lb and measures 18.5 x 12.5 x 6 inches.

Accurate film resistors

A SERIES of precision thin-film resistance networks in micro-circuit packages for use in the construction of digital-to-analogue and analogue-to-digital converters has been introduced by Analog *Devices of Kingston,* Surrey. Used in conjunction with suitable switching circuits, the resistors known as the AD850 series, allow converter resolutions of up to 12 bits without *requiring trimming. This means,* says the company, that resistor errors are so small that no *individual resistor adjustments* are required for accuracies up to 0.0125 per cent.

To the builder of high performance *D/A* and *A/D* converters, this new range of resistance networks makes avail*able a simple plug-in adjustment-*free alternative to the technicians and test equipment required to trim up *individual networks* resistor by resistor.

Package configurations include *TO-87, TO-116, and an encapsu*lated 24-lead package. The units are available for the industrial *0°C to 70°C temperature range,* and the military −55°C to +125°C range, and include both *voltage-switching* R-2R ladders, and binarily-weighted current-switching networks.

High speed reed switch

A RANGE of sensitive reed relays, encapsulated in a tough, stable, moisture-resistant epoxy resin is now available from Pye TMC of Roper Road, Canterbury, Kent. The range is particularly designed for high-speed switching and alarm type contacts where high sensitivity and reliable contact performance, combined with minimum cost, are essential requirements.

An inbuilt magnetic shield prevents interaction between closely stacked relays. The connections are for printed circuit 0.100 matrix and are polarised to prevent wrong assembly.

The relay is available with latching, normally-closed or normally-open contact arrangements.

GEOFFREY CHARLISH

● POLLUTION

Disposal of packaging films

EXPRESSIONS of concern about the problems of disposing of plastics discarded from packages *have become almost a daily* event.

Such fears are based on the *slowness with which plastics de*teriorate or are disposed of, and throughout the world scientists *have been looking, with a fair* degree of success, for an economical and cheap way of disposing of them.

But these strictures do not apply to Cellophane, a cellulosic material made from wood pulp. Unfortunately, the name is often used as a generic term to cover all types of transparent film, and to correct any misconceptions, British Cellophane has summarised the properties of the film, showing how it does, in fact, deteriorate easily and quickly under certain conditions.

Firstly, because of its wood base, *Cellophane burns rapidly,* and is a useful addition to normal waste in incinerators *since it provides fuel. In addi*tion, in the uncoated state it is vulnerable to microbiological attack, and in wet conditions if the appropriate organisms are present it will degrade in less than a month.

Coatings are applied to the film to prevent deterioration *from moisture during storage,* but when the wrapper is discarded the coating will part from *the film within a month when* conditions are wet, and the film then deteriorates normally. It *has been calculated that the* material is totally composted at between two months and a year, *depending on conditions* and on whether or not it is coated.

No-smoke tyre burner

AN INCINERATOR which can dispose of scrap tyres and other rubber waste products without causing smoke is to be installed at the Wolverhampton factory of Goodyear Tyre and Rubber Company (Great Britain), by Redman Heenan and Froude, of Shrub Hill Road, Worcester, WR4 9EQ.

The heat generated is fed to a *boiler unit to produce steam in* excess of 9,000 lb an hour at a supply pressure of 300 psi.

The tyre bead, previously an obstacle in the disposal of tyres by burning, will also be reduced to *become part of the ash in the* form of small globules of metal.

Goodyear's incinerator will accept all tyres up to and including the larger truck sizes and, so long as a supply of combustible waste is placed on the conveyor entering the furnace, the *feed rate is automatically con*trolled. The furnace is claimed to be self-cleaning and all ash is *automatically* collected. It will come into operation next January.

● PRODUCTS

Safeguards frozen food

MANY products which have to be refrigerated during storage and *transport* are liable to serious deterioration should they be allowed to thaw out, even for *short periods.*

With food, for example, there is the danger of poisoning if frozen goods, particularly fish and meat, are eaten once they have been allowed to thaw out and be re-frozen.

Equally important is the need for safeguards in the pharmaceuticals field, where medicines, serums, antibiotics and blood are among the substances that have to remain below certain critical temperatures for safe keeping.

Irreversible warmup indicators —a new form of consumer protection device are now being marketed in this country by W. J. Hart and Sons (London) —the sole U.K. agent for these *plastic capsules.*

The IWI capsule containing one or more translucent beads, *the size of ½p piece, changes* from yellow to red when the pre-set temperature is exceeded, *even if only temporarily.*

Because of their size they can be attached to a product or package *unobtrusively before* freezing and remain in place until the product is finally used.

Hart is at 212, Putney Bridge Road, London, S.W.15.

AVIATION CONCERN OVER LIBYA INCIDENT

Spur for a world treaty

By MICHAEL DONNE, Aerospace Correspondent

THE VIRTUAL forcing down of the BOAC VC-10 airliner in Libya yesterday is considered certain in aviation circles to expedite the introduction of the proposed world treaty against unlawful interference with civil aviation.

This treaty has been drawn up in recent months following the rate of hi-jackings in the Middle East last September and other sabotage attacks on airliners and interference with air transport.

The treaty is due to be considered at a diplomatic conference in Montreal on September , at which it was originally hoped enough States would agree to make all forms of unlawful interference with aviation a severely punishable offence against individuals, with possible sanctions against States indulging in such activities.

It is not clear at this stage whether the treaty as drafted is adequate to cover incidents such as yesterday's.

This matter will probably come up for discussion at the forthcoming conference, and if it is thought the treaty is not wide enough, its scope may be extended to take account of these situations.

But it did become clear yesterday that BOAC has again become the victim of Arab politics. Last night the airline expressed its concern that any aircraft on lawful passage over another country's airspace could be arbitrarily obliged to land and have some of its passengers removed.

First duty

In BOAC's view, this constitutes a violation of all accepted standards of behaviour in international civil aviation. But the airline also made it clear that the matter is now for the Government to handle on the political level.

The airline will inevitably tighten its own security and will reaffirm its instructions to captains that their first duty is to safeguard the lives and well-being of all passengers and crew. If this means obeying commands either from hi-jackers or from the ground, that manifestly appear to be unlawful, the captains will obey.

This is what happened in the Libyan incident. BOAC said that when the VC-10 commander, Capt. Bowyer, was told to land at Benghazi, he was still officially under the control of the Malta Flight Information Region, although he was actually flying over the Libyan coast, and was therefore technically in Libyan airspace and subject to Libyan air traffic control.

He was at first instructed by the Benghazi controllers to land there, but was suspicious of the reasons for the command and asked Malta control for a clearance to return to Rome. This he felt to be a prudent measure.

The clearance was given and he turned his aircraft round. It was when he was on his way back and was passing over the Libyan coast that the Benghazzi authorities again ordered him to land and made it clear—although the precise nature of the implied threat is not clear—that the safety of his passengers was at stake.

The VC-10 captain took the view that the Benghazi controller's order clearly constituted an implied threat with which he had no alternative but to comply.

Throughout the approach to Benghazi airport and the landing, Capt. Bowyer and his crew saw no other aircraft, which appears to dispose of reports that the VC-10 was at one stage threatened by fighters.

After the aircraft had arrived at the airport terminal building, it was boarded by Arab officials in civilian clothing who then argued in Arabic with the Sudanese leaders.

Capt. Bowyer did not understand the conversation but it was made clear that the two Sudanese were being required to leave the aircraft. After discussing this with the Sudanese, it was agreed that it would be in the best interests of the rest of the passengers if the Sudanese left without incident, which they then did.

The VC-10 then refuelled and left Benfihazi, having been on the ground for about 90 minutes. The aircraft returned to London via Rome. This was due to uncertainty at the time of leaving Benghazi whether Khartoum Airport, to which it was originally destined, was open.

Concern

After arriving in London the VC-10 left for Nairobi with a full load of passengers and arrived there without further incident.

BOAC's view is that throughout the incident the VC-10 commander obeyed the airline's own instructions and did all he could to ensure the safety of his other passengers, his crew and his aircraft.

But there is little doubt that this incident will have sent further waves of concern through the entire world air transport industry and although it will be up to the British Government formally to express its concern to the Libyans, it will have the support of all other Governments who are anxious to ensure the continued safety of their own aircraft flying throughout the Middle East and North African regions.

BOAC also said yesterday it would continue to fly over Libyan airspace, as and when its flight schedules required, unless there was some specific reason for it not to do so.

The structure of the civil air traffic control pattern in that part of the world makes it extremely difficult for airliners to avoid the very large Libyan airspace en route to and from various East and South African destinations. Any re-routeing to avoid Libyan airspace would be time-consuming and expensive.

Many of BOAC's routes pass over Arab territories and despite the unstable political situation in that area, it has no alternative but to continue to fly over them if it wishes to maintain its network and its schedules intact.

Meanwhile, Mr. Peter Cane, master of the Guild of Air Pilots and their navigators, last night sent a telegram to Sir Alec Douglas-Home, the Foreign Secretary, and Mr. Michael Noble, Minister for Trade. It read: "If the Press reports are correct the Guild of Air Pilot and their navigators strongly deplores the VC-10 incident. Since there were no apparent reasons of safety or air traffic control concerned in this incident it can only be regarded as an act of air piracy perpetrated by a friendly government.

"The Guild demands that suitable action be taken by the British Government to ensure the safety of British aircraft, passengers and crew at all times by preventing any future occurrence of this nature."

450 more BSC workers may lose jobs under reorganisation

BY DAVID WALKER

UP to a further 450 British Steel Corporation workers could lose their jobs under reorganisation plans announced yesterday by the Corporation's tubes division.

At the division's pipe mills at Hartlepool, where 260 employees were sacked earlier this year, another 200 are to be dismissed during late August and September.

Of those, 120 are at the troubled 44-inch mill, where the bulk of the earlier dismissals occurred. That £6m. plant has been in operation for little over two years and has never reached more than 70 per cent. capacity operation.

Designed in pre-nationalisation days in connection with the Gas Council to supply large diameter pipes for the North Sea Gas operation, a change in Gas Council specifications made it impossible for the mill to supply more than 25 per cent. of requirements.

Full shift operation gave way to extended day shift working in January. Now, BSC stated, a single day shift only is to be operated, forcing a cutback in the current 450-strong labour force.

The others losing their jobs at Hartlepool are at the 20-inch mill, which employs a total of just over 300 and where 50 people lost their jobs in January.

The latest moves were "due to a downturn in which no reasonable improvement can be seen for at least six to nine months," BSC said. The majority of those affected were short-service people.

The other tubes division changes are in the Stanton and Staveley Works group, where 170 clerical workers were dismissed last May.

Iron production at the Old Works site at Stanton, near Nottingham, is ending because of a fall in demand for merchant pig iron. As a result, the No. 1 furnace there, together with its ancillary services is ceasing operation in October, leaving two furnaces going.

The closure affects 244 employees, only a minority of whom, however, might eventually be dismissed. "We hope we may be able to redeploy the majority of those affected elsewhere in Stanton Works by controlling recruitment between now and October," BSC stated.

Since the beginning of the year, the Corporation, which is expected to reveal next Wednesday a £12m. deficit for the 12 months to March 31, has announced some 5,770 redundancies, bringing the total since nationalisation to 14,388. A further 12,800 at least are expected to be declared redundant by March next year.

SPORT: GOLF . . . CRICKET

Youthful talent unearthed

BY BEN WRIGHT

BURNHAM-ON-SEA, July 22

THERE WAS a singularly unfamiliar look about the last eight golfers in the 41st English Championship when the quarter-final stage was reached here at the Burnham and Berrow Golf Club as the rain swept in from the south-west this evening. Only 19-year-old Warren Humphreys of the four seeds remained, and he prevailed by the skin of his teeth at the last hole against 29-year-old John Fisher, the Midland Amateur champion. So Humphreys, who meets former Walker Cup player Peter Benka to-morrow morning, is the only current English international to survive.

Stern test

At the top of the draw the 34-year-old Hampshire captain David Harrison cruises serenely on. He beat Hampshire team mate Lionel Smith by three and two this afternoon. But he will face a stern test to-morrow in Peter Moody, semi-finalist in the British Amateur at Carnoustie. Moody beat the Kent Open and Amateur champion Peter Hedges, a current England cap, by four and three this afternoon with another impressively solid display.

In the third quarter John Putt, 19 years old and a former youth international, blasted the seeded Walker Cup golfer Geoffrey Marks out of the championship with a dazzling display of elegant stroke-making that earned him victory by seven and six with figures of six under par for 12 holes—six threes and six fours. Putt has recently matured into a calm and ruthless performer.

There has never been any doubt about his ability. He has a lovely wide arc, and he bears a strong physical resemblance to the magnificent-looking American professional, Tom Weiskopf. Putt was out this afternoon in 32 shots, four under par to be five up. He picked up further birdies and wins at the 10th and 12th holes, and little more need be said except to commiserate with poor Marks who once again watched helplessly as a championship-winning opportunity was brutally wrenched from his grasp.

Putt will now meet Trevor Homer, 27-year-old director of his father's engineering firm in the Midlands, who was far too young and strong for the tiring Michael Lunt this afternoon.

I first noticed Homer when he finished leading amateur in the Italian Open Championship in Alassio in the early spring. Later he beat the American Walker Cup player Jim Gabrielsen in the fourth round of the British championship. But he has hitherto accomplished little else. Homer was always in command against Lunt, however. The latter, for ever the victim of his wayward driving, choked down to his one iron to try to steer the ball round in the freshening southerly breeze—before it slackened and veered into the south west to bring in the rain. But he was out-gunned. Homer was out in 34, five up, and he then coasted to victory by five and four.

Benka, now a week-end golfer but still a first class player beat Stephen Rolley, 18-year-old son of a Yorkshire professional, who was a semi-finalist last year, by four and three. This was a particularly creditable display because Rolley is one of those fortunate amateurs who plays golf every day of his lucky young life.

Infinite promise

In the last match to-morrow morning the sole surviving Northerner, John Dickinson from Wigan, a burly 35-year-old who has played 72 times for Lancashire, will meet the long-haired former England international John Davies, who has played little top-class competitive golf of late, but is a player of infinite promise.

Dickinson, the old man of the party, beat Stephen Butt, one of four Hampshire county players in the last 16, at the last hole when the latter took six there. Davies was always in command of his match against another Hampshire cap, Portsmouth solicitor John Cobbett, who lost by three and two. Only Harrison and Dickenson are over 30 years of age, while travelling companions Humphreys and Putt are teenagers, and the other four survivors in their twenties. So the championship has so far been most encouraging in unearthing youthful talent. Alas, this will probably be Humphrey's last championship as an amateur.

Moody's match against Hedges appeared likely to be one of the key clashes of the afternoon. But in fact Hedges was bitterly disappointing, and only survived as long as he did by virtue of an uncanny touch on the greens. He has suffered all kinds of torture in this area, but has now become highly competent and uncannily reminiscent of Bob Charles as he putts left-handed—and plays right.

Hedges squared the match with a colossal putt for a birdie on the sixth green, and at the next two holes he got down from 15 and 20 feet for halves. But he could not survive the kind of pressure the quietly competent Moody was exerting upon him, and the Nottinghamshire man duly took the ninth hole, where for once Hedges' putting touch could not save him.

Hedges lost a ball from the tee in the jungle to the left of the 10th fairway to go two down. Moody took three putts on the 11th green to throw one hole back at him, but he got down in a chip and a putt from in front of the 12th green, and Hedges did not. The Kent man lost his second ball to the right of the 13th green, went through the 14th to lose that too, and Moody needed only to halve the 15th hole to prevail.

Humphreys was exceedingly fortunate, in that his opponent, who has a fine, rhythmic swing, is not so sure of himself on the putting greens. This afternoon poor Fisher missed three crucial putts of less than a yard.

He twitched the first one from no more than a foot to only halve the 6th hole and was promptly asked to hole another of similar length at the 7th—and missed to go one down.

He went two down when Humphreys holed from 20 feet on the 11th green for a birdie, but then staged a fine comeback.

Humphreys hooked his drive wide of the 12th fairway. Fisher hit a superb tee shot, and the best shot I have seen all week with his three wood to the heart of the green into the teeth of the wind. Humphreys pitched through the green, and after one chip conceded the hole. He lost the 13th with a wayward tee shot to the right against Fisher's solid four, but then the Midlander made his crucial mistake on the 14th green. He took three sad putts from only 12 feet after Humphreys had shot through the green down the wind, and only halved the hole in four.

Anti-climax

The 15th hole was halved in scrambling fives, and then Fisher wedged stone dead to take the 16th. Humphreys hit back in the best possible fashion with a glorious two iron shot a yard from the 17th hole for a two to square the match—and then anti-climax. Fisher duck-hooked his drive into the rubbish at the last hole, and took five shots to reach the green. Humphreys seized his opportunity with both hands, striking a great three iron shot 12 feet behind the hole to put the issue beyond question.

England's later batsmen to the rescue

BY TREVOR BAILEY

LORD'S, July 22.

IT IS difficult to think of a pitch much better suited to India than the one prepared, or under-prepared, at Lord's, because it took rather more spin on the first day than is normal, which suited their spin trio.

The outcome was that the cream of the English batting surrendered somewhat ignominiously and it was left to the late middle order and then to the tail to stage a partial recovery. All credit, however, must be given to the Indian bowlers for exploiting the conditions so well. Only the occasional ball turned really sharply but their line and length was sufficiently accurate to allow the captain, Wadekar, to set some ultra-attacking fields, while the bounce was often irregular.

The outstanding performer was undoubtedly Bedi, who gave a classical exhibition of slow left-arm bowling, beating batsmen both in the air and off the pitch. Chandrasekar was less economical, but always liable to produce a really vicious delivery, while Venkataraghavan picked up two wickets with his orthodox off-spin. It was a delight and a change to see three slow bowlers in action before lunch on the opening day of a Test match.

As expected England made Jameson 12th man and India omitted Prasanna, who has been the least successful member of their spin quartet to date.

England 252 for 8 (Knott 67, Snow 51 not out)

After Illingworth won the toss, Boycott and Luckhurst went out to face Abid Ali, who is just above medium-pace, and Solkar, a medium-paced left-armer. As an opening attack, it could only be described as friendly even on a pitch which would have given considerable encouragement in the early stages to an average county seam attack. It was therefore something of a surprise when Abid Ali had Boycott caught behind from a strangely casual stroke.

England's start was slow and rather pensive, but nothing suggested the sensational pre-lunch collapse that occurred when the spinners took over. Luckhurst was caught off a ball which bounced rather more than he had expected, Edrich was brilliantly caught at slip from an intended drive and D'Oliveira was snapped up at short leg via inside edge and pad. The result was that England were 61 for 4 and deep in trouble.

After the interval Amiss and Knott resumed against the accurate and contrasting spin of Bedi and Chandrasekar. Amiss never looked comfortable and lost his wicket attempting a firm-footed drive at a well-flighted ball from Bedi.

England's captain had several anxious moments before settling down with the perky Knott to bring some sanity to the situation. Together they took the score from 71 for 5 to 161 when Knott was caught in the leg trap off a ball which turned sharply for a meritorious 67. The Kent wicketkeeper had adopted positive tactics, using his feet and refusing to allow the bowlers to dominate, while Illingworth, with his right foot securely anchored behind the crease, provided sensible, subdued support.

At tea, thanks to this stand, England had staged a partial recovery and were 168 for 6. In the final session the later batsmen thwarted a quick break-through by the Indian spinners, who were beginning to tire. Hutton scored a useful 20 and Snow, not for the first time, batted with skill and vigour. In fact he middled the ball with more certainty than most of the recognised batsmen.

This prolonged resistance forced Wadekar, who had captained his side splendidly, to take, somewhat reluctantly, the new ball after 112 overs. This was clearly welcomed by Snow and the obdurate Gifford, even though the former was dropped when 46. After only three overs spin was reintroduced at one end, Snow completed the 50 he deserved, and at the close England had reached 252 for 8 after an absorbing day's cricket.

Hospital technicians in protest over pay claim

BY OUR LABOUR STAFF

MORE THAN 1,000 laboratory technicians marched through London yesterday in support of a wage demand, leaving many hospital laboratories with a minimum of staff, who were refusing all but emergency cases.

The demonstrators are members of the Association of Scientific, Technical and Managerial Staffs, which claims about 5,000 members among the 10,000 technicians in the National Health Service.

After marching from Waterloo Bridge, they were addressed at Caxton Hall, Westminster, by the union's general secretary, Mr. Clive Jenkins, who had said earlier that "lab. technicians are rapidly becoming the Deep South of the medical profession." The union wants fresh negotiations on a salary structure for the technicians.

Hospitals in some areas have had to cancel operations scheduled for to-day because of the one-day protest. Blood needed should have been prepared yesterday.

New structure

ASTMS alone has rejected a new pay structure which has been "reluctantly" accepted by the National and Local Government Officers' Association, the National Union of Public Employees and the Confederation of Health Service Employees, which also represent technicians. It claims that for many of its members the new structure will mean increases of only £2 a year.

NALGO, NUPE and COHSE accepted the new structure mainly on the basis that to reject it and lodge a new salary claim would mean breaking the existing links with the pay of scientific civil servants who have rejected a 2.5 per cent. average pay offer.

This would have provided an extra 12.7 per cent. for the lowest paid grades but nothing at all to many of the higher grades. Their pay will be the subject of arbitration next month.

The clash between ASTMS and the other unions has brought to a head ASTMS' dissatisfaction at the representation on the technicians Whitley Council. ASTMS, which has five seats on the council while the other three unions have three each, would like representation to be proportional to membership.

Telephone services may be hit by ASTMS threat

NEW telephone and telecommunications installations in many areas of the country—nearly 20 of them in London—could be affected if engineering members of the Association of Scientific, Technical and Managerial Staffs at Plessey and GEC carry out their threat to black Standard Telephone and Cable products from July 30 unless the company reinstates six Waltham Cross, London, members sacked because they refused to fill in labour control sheets.

The union is demanding a substantial increase in salaries for 400 STC engineers employed nationally. After a management offer had been turned down, the six were suspended, and another 90 in the London area went on strike. The union says the company is in breach of the negotiating procedure.

Also, the Post Office engineers and electricians' unions have said they will not work without supervision unless the six are reinstated.

Alcan site stoppage goes on

By Our Labour Staff

ELECTRICAL contracting work at Alcan's £65m. aluminium smelter site at Lynemouth, Northumberland, is to remain at a standstill following a decision by 396 electrical contractors to continue their week-long unofficial strike.

The men, who are claiming pay parity with other trades on the site, decided not to meet again until Thursday. In staying out they are defying the Joint Industry Board, which had urged them to return to allow their claim to be taken through procedure.

Rank to close flour mill at Bristol

RANK'S flour mill at Bristol is to close down in October and the 80 employees will be made redundant unless they are prepared to move.

The company is closing the mill as part of a rationalisation scheme. A spokesman for RHM said yesterday that there was no room to develop on the site and that the closure of Bristol City Docks (planned to take place in the next 10 years) means no more grain can arrive by water from Avonmouth.

Senior executives from the company's headquarters in London are interviewing all employees, explaining their pension and redundancy payment rights. This is the last flour mill in the Bristol City area.

Redundancies are expected to follow Clark Equipment's decision to close its Hall Green, Birmingham, electric lift truck plant which employs 300.

Production at the plant is to be phased out by the end of this year and truck manufacture concentrated at the factory in Camberley, Surrey. The company anticipates that a number of Hall Green employees will be relocated at Camberley.

Concern over NEDC assessment

THE TUC, together with the unions, is to do everything possible to ensure that the National Economic Development Council's industrial assessment exercise is initiated this autumn, said the TUC yesterday.

At a meeting of trade union members of five engineering economic development committees, concern was expressed that the Government would try to stop the forward planning exercise because of its "disengagement" policy.

The economic assessment is to be carried out by the NEDC, as an attempt to plan ahead of factors affecting industries both generally and on a sector-by-sector basis.

Future trade union initiatives on the work of the engineering little "Neddies" were also agreed at the meeting, which was attended by union representatives of the five engineering EDCs and three of the TUC general council's representatives on NEDC, Mr. Alfred Allen (who presided at the meeting), Mr. Jack Jones and Mr. Victor Feather, the TUC general secretary.

Papers on employment in the industries, investment and industrial structure, manpower forecasting, the impact of technological change and international links within the engineering industry will be submitted to the EDCs in the forthcoming year.

The union representatives also decided to maintain regular contact with each other on the work of engineering EDCs and to press for improved communications between the committees, trade unions and work people.

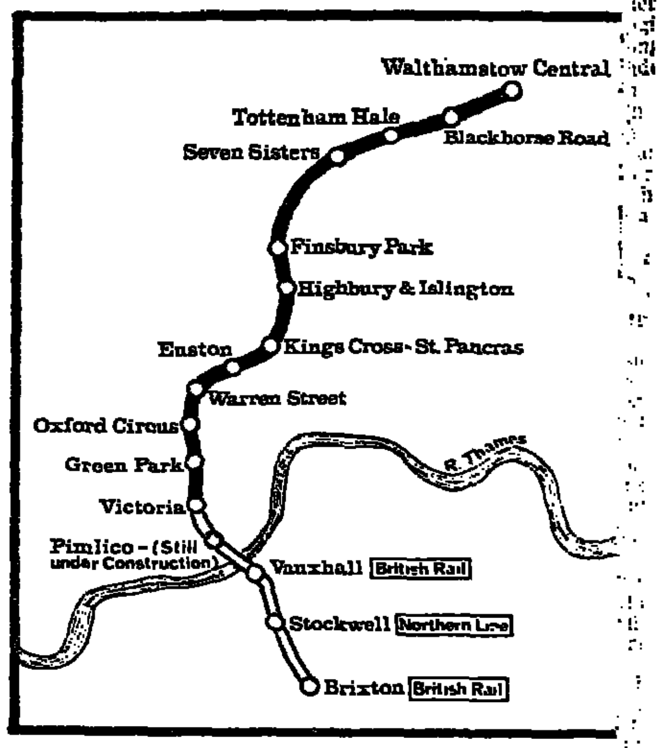
FT BUSINESS PUBLICATIONS

The acquisition by FT Business Publications of the Oil and Petroleum Year Book and the Mining Year Book from Mr. Walter R. Skinner and his family for cash was a Class Three transaction under Stock Exchange requirements.

The transaction referred to the quoted company, Pearson Longman, and not its subsidiary FT Business Publications, and was carried out by Colegrave and Co.

VICTORIA LINE EXTENSION

This Financial Times Survey coincides with to-day's opening of the extension of the line from Victoria to Brixton.



South London's vital link

By ANDY McELROY

Cities and their transport systems invariably develop out of step with each other. It is in the nature of things that additional travel facilities follow changes in population or *employment patterns, often* many years later.

London's underground system *is no* exception. It *is* undoubtedly the finest in the world, yet until now it has lacked a proper service to the south of London. Admittedly, the Northern line's southern leg has fulfilled this function, after a fashion, but many large areas were completely out of touch with the rapid underground network.

Now, much of that has been changed. The Victoria line, which has done so much in the short time that it has been operating to relieve congestion and to speed travel across the heart of London, has now stretched down to serve the southern suburbs. Almost unbelievably, plans for a link of this kind were considered along with other proposals for London's transport system, as long ago as 1943. It was *realised that the existing* system, would soon become overburdened in the, hopefully, booming years after the war. But such were national priorities and the pressures of rebuilding a peacetime economy, that like so many other things the proposals remained just that.

But eventually, in 1966, the then *Minister* of Transport, Mrs. Barbara Castle, gave approval for the work on the Victoria to Brixton link to be started. An expenditure of £16m. for a line measuring only 3.5 miles seemed a lot of money at the time, but it was confidently *forecast at the time that* the line would be used by 18m. passengers each year, so that on *that basis alone it would be of* enormous benefit.

Another observation that was *made by traffic experts was that* the extension will take passengers mainly from the overburdened Northern and Bakerloo lines and from the London Transport buses. Thus, it was assumed that there would be no immediate financial gain to London Transport.

Social benefits

However, this project is noteworthy for one thing in particular among many others: it has been the subject of a study to assess the social benefits accruing to the community. Although not the first study of its kind to be made, this one showed *convincingly the advantages* of investing in such a link. What will the benefits be? To answer *this question it is necessary to* look at the Victoria line as a whole. It is unusual among the other branches of the network in that, with one exception, Pimlico, all the stations on it are interchange points with either other Underground lines or with the British Rail network. Three major rail termini, Victoria itself, Euston and King's Cross lie on the line, and already travellers are reaping the benefit of rapid transfer from the northern stations *to Victoria.*

For people who live in the south of London, the extension *means that they* are now only minutes away from any of these stations, or from London's West End.

Another benefit that the extension will bring, and one that has, curiously, been scarcely mentioned, is the effect it will have on existing Thames crossings. During *rush* hours London's bridges, in common with those of other *major cities, present a picture* of almost complete immobility. Taking even a small proportion *of passengers off the bus routes* will contribute significantly to a better traffic flow during peak times.

In its execution, the Brixton extension of the Victoria Line follows the pattern already set by the Walthamstow to Victoria stretch. Everyone who uses the *line already knows all about* the very fast and comfortable trains, and of the many safety *features built into their* operation. All the additional 72 cars ordered for the extra mileage *incorporate* the same advanced features, while the stations have again been planned with the same speedy flow of passengers and automatic fare collection systems already in use.

But in addition there are several details that are worth remarking. Stockwell station, *for example, is on the Northern* Line, which carries commuters from the further-flung southern *areas of Surrey. When the* extension was planned to run through Stockwell it was decided that the interchange between the two lines should be on the *same level*, a factor that contributes greatly to shorter journey times for passengers from, say, Morden, who are aiming for Oxford Circus.

This interchange is, of course, only one of the many on the line. It is believed that, once the line is fully *operational*, passengers will be tempted to change to the Underground *system at an intermediate stop* such as Vauxhall, for example, rather than Waterloo. This in *itself* will be a relief since, like most commuter stations, Waterloo teeters on the verge of total chaos during the morning peak period. Interestingly, this has already been the result of the opening of the northern end of the line. Commuters coming from Hertfordshire are now inclined to pick up the Victoria line at Finsbury Park *rather than taking the main line* train directly into King's Cross. Quite apart from the added convenience of changing at this point, at most times of the day such a move also cuts down travelling time to any southern point on the Victoria line, and the same effect is likely on interchanges on the southern end.

Car commuters *will also have* the benefit of the line, since they can now drive to a convenient station, park their cars, and travel the difficult part of the *journey in comfort and at* speed. Already there are plans to provide additional car parking *space, particularly* at Brixton, where the demand is likely to be greatest, and as demand develops in other areas, local authorities will be faced with the task of accommodating these cars. Although there will necessarily be a fee for parking, on the whole the commuter should benefit, since the rates are hardly likely to be as high as in Central London.

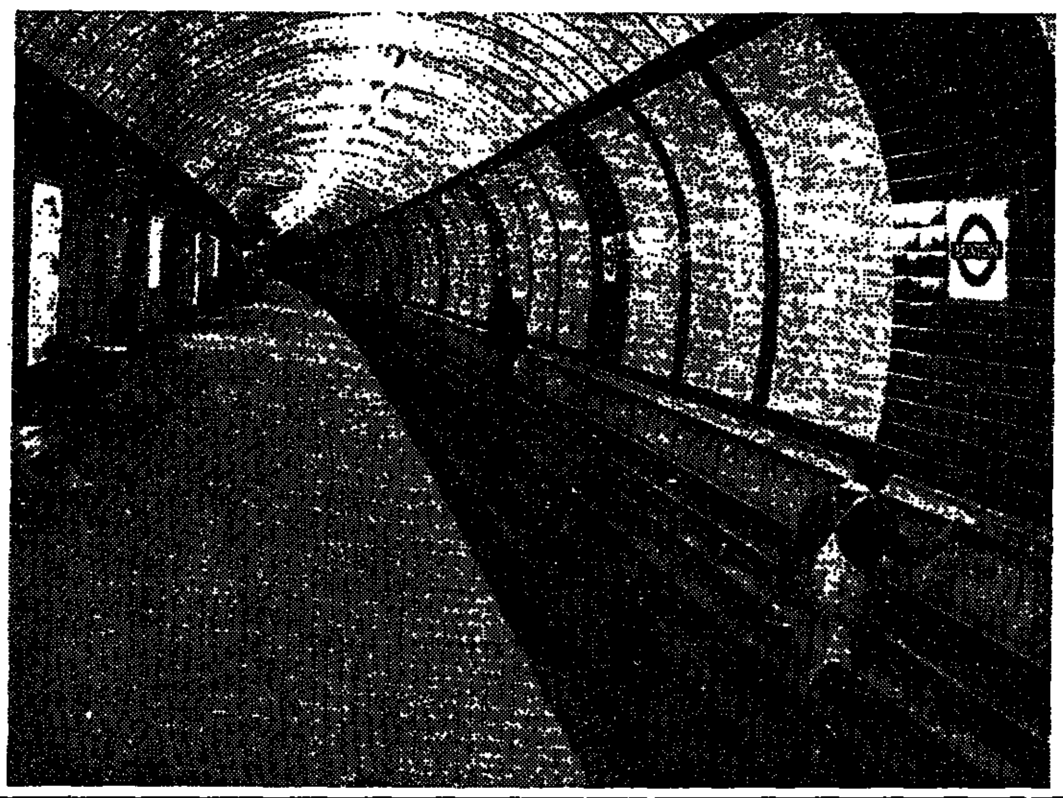
Pimlico station

Although most of the benefits of the extension will fall to residents on the south side of the river, a significant addition to the line, a station at Pimlico, which will be opened later, should do much for residents *of this densely populated area*, at present something of a transport desert.

Approval for this station was given in 1968 by the then Minis*ter of Transport*, Mr. R[illegible] Marsh, at an extra cost of [illegible]

Considering the wor[illegible] volved, this is a very low [illegible] and much of the credit m[illegible] to Westminster City C[illegible] which had pressed strong[illegible] the station, and the [illegible] Estate Commissioners, [illegible] has provided easement[illegible] underground workings [illegible] pletely free of charge be[illegible] of the benefits that the s[illegible] would bring to its resi[illegible] *The benefits are twofold.* [illegible] only will residents be a[illegible] reach Central London [illegible] more rapidly, but it is ex[illegible] that the station will take[illegible] of the traffic off the roads[illegible] making Pimlico a cleane[illegible] pleasanter place to live i[illegible]

Overall, the finished c[illegible] the extension, includin[illegible] Pimlico Station, is expec[illegible] *be in the region of £20m.*[illegible] the benefits that it will [illegible] to every aspect of life on[illegible] don's southern fringes, it [illegible] a very small price to pay.



Engineers checking the track at Brixton station recently while the painting is completed.

VICTORIA LINE EXTENSION II

Line will have considerable effect on local community

By RAY BRIGGS

In terms of speed, the advantages of the Victoria Line extension are impressive. The journey from Brixton to Victoria will take only eight minutes; Brixton to Oxford Circus 12 minutes; and Brixton to King's Cross just 17 minutes.

During peak periods there will be a train every two minutes.

Equally significant are the advantages to travellers from the southern arm of the Northern Line. By using the Northern Line and changing to the Central at Tottenham Court Road, it takes 28 minutes from Tooting Broadway to Oxford Circus.

Now it will be possible to change to the Victoria Line at Stockwell and cut the journey time by at least nine minutes—and travel in considerably more comfort, especially during peak periods.

Less crowded

Many sections of the Northern and Bakerloo lines should be considerably less crowded as passengers from the South take advantage of this opportunity to change at Stockwell for the West End and for North London.

The new line also brings considerable relief to the highly congested road crossings of the Thames, a source of major bottlenecks during peak periods.

The new Brixton station is right in the middle of a major shopping and office centre being developed by the London Borough of Lambeth. Obviously some traders in the area look to the sudden easy access to the West End shops with mixed feelings. For it is certain that some people will take the trip West and spend money in the Oxford Street area that they might otherwise have spent locally.

But to most this will only be a short-term problem, if a problem at all. For as long as they can keep their prices competitive, they are sure that the wanderers will return. And, perhaps even more to the point, the much-improved transport facilities to the Brixton area are likely to tempt many shoppers from areas outside the present "net."

Despite the current traffic and parking problems, the Brixton shopping area is already extremely busy and attractive to many throughout south London who travel there by bus or car.

Road developments planned for the area are also likely to make the Brixton station a key point of entry to the London underground system. The Southern Motorway Box is planned to go through Brixton and at least one radial motorway seems sure to join it at a fairly convenient spot.

This will make Brixton particularly attractive to the commuter who wishes to drive the first part of his journey, park, and link into a fast, modern and comfortable train for the final part of his journey to the City.

And with many wives driving their commuter husbands as far as Brixton, it will almost certainly become the natural place to shop for many families.

Some traders do show concern as to whether the parking facilities in the area will be sufficient to accommodate the number of commuters that may well want to use the station. The local council is currently building a multi-storey car park to hold around 500 vehicles. This is due to be completed towards the end of the year but there appear to be doubts in some minds whether or not this, allied to meter zones for short-term parking, will be sufficient to cope with the problem.

Major improvements in transport to and from central London normally bring about hefty increases in property prices in the areas affected. To the west of London, for instance, residential property is going up by around 10 per cent. a year as the new motorway programme makes commuting faster, even though central congestion puts motorists to some disadvantage and, more often than not, discomfort against the train-borne commuter.

Local estate agents, however, are not expecting quite such radical developments in the southern end of the Victoria Line.

In the main this is due to the type of housing to be found around Brixton. Much of it is old and possibly subject to development in the future. In many cases this makes the raising of a mortgage difficult, if not altogether impossible, even though prices are relatively low.

However, it is anticipated that the Victoria Line extension will bring price increases of around 5 per cent. for those that do come on to the market.

For commuters, some of the biggest gains are for those using the Northern Line from Morden and Tooting Broadway and heading towards the West End. At Morden, certainly, there is adequate car-parking facilities for the road-rail commuter who will find his journey time considerably reduced by changing at Stockwell. For those remaining on the Northern Line for Bank it should become a much more comfortable journey as space is created by those people using the new route.

In most cases it would appear that these benefits will be to existing residents in the area rather than newcomers. Property is in extremely short supply and an early 1900 three-bedroom terrace house fetches anything between £5,750 and £6,250. A similar house built after 1920 costs at least £1,000 more—and very few come on to the market. New property is equally scarce.

Helping the public

According to the then Minister of Transport, Mrs. Barbara Castle, Government approval to extend the Victoria Line to Brixton was given "simply and solely to improve the lot of the travelling public in London."

In her statement almost four years ago she pointed out that most of the 18m. passengers who are expected to travel on the extension in its first year of operation already use London Transport—on the Northern or Bakerloo lines, or travel by bus.

But of one thing we can be sure. For those people who have to travel regularly from South London towards the West End, the new Victoria Line extension is going to make an enormous difference to their lives. And that, as Mrs. Castle said, is what bringing the line to Brixton is all about.

A picture taken during the installation of the automatic ticket gates at Stockwell station.

Planning for smooth progress

By ANDY McELROY

Nobody could ever say that the Victoria Line had been planned and executed in a rush. Nearly thirty years of gestation went into it, ensuring that at least the planners knew what they wanted.

This is perhaps a bit unfair. But the line as a whole shows all the marks of careful forethought not least on the part of the contractors who built it. London's land is undercut by tunnels, cables, conduits and works of all descriptions, many of them dating back well over a hundred years and uncertainly mapped in the records. Even those which are, like other underground railway tunnels, presented real obstacles to the work, necessitating careful pre-examination and in some cases unusual constructional techniques.

For this reason, if for no other, it was a wise move to try and retain as many as possible of the experienced staff involved in the main section of the line to work on the extension south to Brixton. Although there was a degree of loss of this staff, the blame is not attributable to either the London Transport Executive or the contractors. Central government, whose fiat was necessary, is not generally renowned for its speed of decision in such circumstances.

However, enough of the original talent was retained to ensure that many of the snags encountered in the main works could be foreseen and treated as routine rather than emergencies in the extension.

As far back as March 1966, governmental approval for preliminary moves like the ordering of tunnel-lining segments was given. This meant that at least two of the companies involved in the main work, were able to benefit from continuity of production. Stanton and Staveley provided the cast-iron tunnel lining segments, while Kinnear Moodie (Concrete) was asked to provide similar units in concrete, two orders that between them were worth £700,000.

Tunnelling work

Much of the tunnelling work for the extension was done under very difficult circumstances, but these were thoroughly investigated and allowed for so that there were few real surprises for the contractors. Preliminary investigation involved the driving of 57 boreholes along the proposed route, while the under-river section was explored by a barge using seismographic techniques similar to those employed in prospecting for underwater oil.

Results of these investigations revealed that there was a good deal of bad ground on the route where water could be troublesome. In particular, water bearing gravel and unstable clay in the Stockwell and Vauxhall Park areas were seen as major obstacles to the high tunnel-driving rates that had been achieved in the main section of the line.

In fact, it was shown that there was no section which

Continued on next page.

هكذا من الأصل

VICTORIA LINE EXTENSION III

New innovations help create fastest underground route

By RAY BRIGGS

From its inception the Victoria Line has been the fastest underground route in London. Two factors have been largely responsible: the relatively long stretches between stations; and automatic operation of the trains themselves.

London Transport and Westinghouse Brake and Signal Co. Ltd. designed and manufactured the equipment which has introduced a high degree of automation. From the moment the train operator closes the doors and presses the start button, the train accelerates, coasts and brakes for the next station in response to coded impulses from the track. Slowing, stopping and re-starting between stations—either because there is a train ahead or a speed resriction in force—is also automatic.

In the event of failure, the train operator who sits in the front of the cab just like the driver of old, can take over and control the train manually.

The automatic driving system is in two parts—safety, corresponding to the signalling system of an "orthodox" line, and *driving*. *In all cases the safety* part of the system can over-ride the drive. The basic principle behind the safety system is that *the train cannot run unless it is* receiving a continuous series of coded impulses from the track, transmitted through the running rails.

Four low frequency codes are used: 120 codes per minute which is used for the signalling system and is not picked up by the train; 180 which allows the train to run up to 25 m.p.h. as long as power is not being fed to the motors; 270, which allows the train to run up to 25 m.p.h. with power; and 420, which has no speed restriction.

For the three lower values, contactless pendulum type generators are used but a simple transistor type oscillator is used for the 420 code generator as frequency drift cannot have a harmful effect. The state of the *track circuit ahead determines* the code to be fed to the track at any given time.

A pair of pick-up coils mounted on the bogie over the left-hand rail picks up safety code signals from the track and is connected to the safety box placed beneath a passenger seat.

The safety box also receives input from a governor on the train which applies emergency braking if the 180 and 270 codes are being exceeded. Motoring and braking commands are de*termined by the safety box and* fed to the autodriver unit.

In principle, the driving system is similar. Spot frequency generators are connected to spot command loops on the track. For precise stopping at stations, a number of frequencies between 800 kc/s and 5.5 kc/s are used. They are connected in descending frequency order to the 10-foot track loops ahead of the platform where the train is to stop. Signals produced in these track loops are detected by a coil on the train and passed to the autodriver as instructions.

Each 100 cycles represents one *mile an hour* and the track loop is placed at the spot where the train should be at the corresponding speed when following the ideal braking curve.

Extra braking

Therefore, when the train passes the 40 kc/s spot, the 40 m.p.h. instruction is detected and compared with the actual speed. If the speed is less than the instruction, the brakes will be released. If *it* is greater, then extra braking is automatically applied.

Spot frequencies of 15 and 20 kc/s are also used for coasting and for braking under less precise conditions.

The use of interlocking machines ensures that trains can only be given safe routes at junctions and crossings. The old manual signal box, with a signalman pulling levers or pushing buttons, has been replaced by the programme machine.

This contains a roll of plastic film containing time-table and routeing information. Each time a train passes the junction, the film is driven forward. *Feelers detect* holes punched into the film and the machine makes comparisons with the train description and timing circuits which *are driven by* a master clock system.

If the programme machine and train description are in agreement, route-setting circuitry is energised and the train automatically routed. If not, a warning is flashed to the control room at Coburg Street, which is equipped for surveillance of the whole *Victoria Line. After a short* interval the train is routed according to the train description unless the supervisor intervenes.

Timing circuits delay the departure of any train that is ahead of schedule.

In another step towards *full* automation, Victoria Line trains describe themselves to both the programme machines and the destination indicators on the platforms. Known as the Identra system, this entails a tuned coil mounted in the roof of the train cab. The operator selects one of eight different destinations by turning a switch *in the centre of the coil to the* appropriate section.

The switch connects different value capacitors in series with the coil and the combination will resonate at one of eight different frequencies.

Two-way communication from the control room to the train operator is available at any time as a result of the carrier wave system on the Victoria Line.

It is a frequency modulated duplex system and uses the traction current rails as a transmission line using frequencies in the 130-150 kc/s range. Transmitter power is 30 watts.

The Victoria Line television *system*, produced by Pye TVT Limited, is also used in the Brixton extension. Philips EL 8000 cameras are sited at both ends of each platform and at other strategic points in *stations*. The supervisor in charge of the station can select pictures from any of his cameras and show them on either of his two 11-inch monitors. The controller at Coburg Street is also linked to *the system so that in the event* of any delays, he can see the effects at a glance.

Train operators also have the use of monitors, placed at the end of the platform where the train stops. These are linked to the platform cameras and enable every door of the train to be seen from the front cab.

One of the factors that makes the Victoria Line pleasant to use is a ventilation system designed to keep the average temperature down to 70 degrees Fahrenheit — a full three degrees lower than on the other lines.

On the Brixton extension *three vertical axial flow fans*, specially produced by Edgar Allan Aerex of Sheffield, have been placed between stations. *They are designed to give the* effect of three complete changes of air per hour.

Planning— *(Cont'd.)*

Continued from previous page
would allow enough continuous use to warrant the expense and trouble of re-assembling the rotary tunnelling shields used on the Victoria to Walthamstow section. Thus it was decided at an early stage to use Greathead-type shields instead, within *which the miners would* excavate using pneumatically-powered shovels. Although rather slower than using a powered shield, this method was still able to average about 1.25 feet per hour, and was sufficiently versatile to cope with all the different ground conditions encountered on the route.

Contracts for the tunnel sec*tions from Victoria under the* river to Vauxhall; and from Stockwell to Brixton, worth about £3m., were awarded to Balfour Beatty and A. Waddington and Son, while that between Vauxhall and Stockwell, at a price of about £650,000, was won by Mitchell Brothers Sons.

From Victoria, the tunnels run more than 60 feet below the ground to the river, where they rise to about 20 feet below the bed. South of the Thames, they are nearer the surface, between 40 and 50 feet down. Under the Thames, it was necessary to do the tunnelling under compressed air to keep out water. *Although this is a well-estab*lished technique, it adds considerably to the time taken in transferring both men and materials from the surface through the air-lock to the working face.

Much of the complexity of the work on the extension was occasioned by the need to fit in with existing underground lines and even, in the case of Vauxhall, with road works. Here, the road network is in the process of reconstruction by the Greater London Council, meaning that the two schemes had to be closely co-ordinated throughout.

The Vauxhall site, for which the main contractor was J. Carmichael, involved a number of unusual techniques. Firstly, since it is so near the Thames, it was necessary to use a complex system of sheet piling and ground anchors to form coffer dams. Secondly, since the escalator tunnel was to be driven mainly through water-bearing gravel, it was necessary to freeze this to allow tunnelling to continue in safety.

Overall the Brixton extension of the Victoria Line has been, considering the difficulties of the site and the complications of co-ordinating various conflicting requirements, remarkably trouble-free.

In an urban area it is not only the unexpected drawbacks to the contract, but the consequential losses in other directions, *that must be considered.*

The Victoria to Brixton extension marks the completion of the new underground line as *such*. But in many ways *it* marks the beginning of a new era in London transport, with the plans for a comprehensive rapid transit system, laid down so many years ago, in 1943, being implemented continuously during the next 20 years.

APPOINTMENTS

Finance Manager £6,500

HERTZ EUROPE LTD. is the European Headquarters of the Hertz Corporation and is responsible for the development of Corporation activities in Europe, Africa and the Middle East. A position exists at our new Headquarters in West London for a Finance Manager.

The successful candidate will report directly to, assist, and when necessary deputise for the Finance Director. Wide experience in money management, international operations and taxation as well as in evaluation of reports on economic developments and prospects in Europe and recommending action, are a few of the requisites.

If you:

* have had at least five years' experience in banking and/or corporate finance planning in a position similar to the above with an international company
* have some accountancy experience and established connections in European financial circles
* have a University degree or similar professional training, fluent English and at least one other major European language
* are aged between 30 and 40,

please write, in confidence, enclosing a detailed resumé of past experience and background to:

Hertz

J. F. Farley,
Director of Personnel,
HERTZ EUROPE LTD.,
Turriff Building,
Great West Road,
Brentford, Middlesex,
England.

British Bank of Commerce Limited

Merchant Bankers

are engaged in a vigorous programme of expansion and require executives (age approximately 28-45) with successful managerial experience in the credit instalment, leasing and/or factoring fields as

REGIONAL MANAGERS

to operate from the undermentioned centres:

Edinburgh Ayr Glasgow

Successful applicants, who will be eligible to join our non-contributory pension scheme, will be paid an excellent salary and will be supplied with a company car.

Written replies, in strict confidence, should give details of age, qualifications, past experience, present salary and existing fringe benefits; and be addressed to:

**The General Manager,
British Bank of Commerce Limited,
145/165 West Regent Street,
Glasgow C.2.**

CJA RECRUITMENT CONSULTANTS

35 New Broad Street, London, E.C.2. Tel. 01-588 3588

Opportunity of stock options—Outstanding performance can lead to a Board Appointment.

GENERAL MANAGER

CENTRAL LONDON **£4,500—£6,000 + CAR**

BANKING SUBSIDIARY OF A MULTI-MILLION POUND FINANCE GROUP

Owing to expansion and re-organisation, this vacancy calls for candidates aged 32-42, with a minimum of four years' experience in banking/credit finance or a closely allied field. The successful candidate will report to the Managing Director and be responsible for heading up the efficient management of the Company (through a staff in excess of 30, located in Head Office and branches). A major requirement in the brief will be to negotiate new business to ensure a continued satisfactory level of growth acceleration. Initial salary and annual bonus negotiable £4,500-£6,000 + car; contributory pension; free life assurance; assistance with removal expenses if necessary. Applications in strict confidence, under reference GM3136/FT to the Managing Director:

CAMPBELL-JOHNSTON ASSOCIATES (MANAGEMENT RECRUITMENT CONSULTANTS) LTD.,
35 NEW BROAD STREET, LONDON, EC2M 1NH. TEL: 01-588 3588.

J. & A. SCRIMGEOUR LIMITED

require a female

Statistical Assistant to Investment Analysts

who should have either a degree and an economics background or appropriate A Level qualifications in her early twenties, interested in figures and capable of rapid training. An experienced valuations clerk with the right background might be suitable. The successful applicant would be required to prepare statistics of the equity market for data processing, to attend portfolio meetings and to correlate information from company balance sheets, F.T. Stock Exchange Index, etc., using an Anita calculating machine.

Salary not less than £1250, negotiable.

Apply in writing to:

The Administration Manager,
J. & A. Scrimgeour Limited,
Mansion House Place,
London EC4N 8BL

TAXATION SPECIALIST

c £3,000-£3,500

As a result of the growing complexity in the operations of the Ladbroke Group, a tax specialist is required for the Central London Headquarters.

Applicants aged 30-40 should have proved experience of taxation work with retailing, hotel, catering and/or allied trades and ideally would have received training and experience as an Inspector of Taxes.

Applications, which will be treated in the strictest confidence should include full details of training, career and salaries earned and be addressed to:

J. D. C. Stanley, Personnel Controller, Ladbroke Group Ltd., Ganton House, Ganton Street, London, W1A 2LD.

City £3,000+

FINANCE MANAGER

A U.K. group of companies, part of a major international trading organization, wishes to appoint a manager for its group financial department.

He will be responsible to the chief financial executive for the co-ordination of the services provided to associated companies throughout the world in respect of commercial credits and foreign exchange transactions including sterling, other currencies, and Eurodollars.

He will also co-ordinate the inter company financial transactions of the U.K. group.

Basic requirements

* 5 years' experience of international banking
* Age up to 35, knowledge of French and German would be an advantage.

Suitable applicants will probably be earning about £3,000 at present. A pension and life assurance scheme is operated.

Brief but comprehensive details of your career, which will be treated in strict confidence, should be sent to MF 882, Executive Selection Division.

Cooper Brothers & Co. Limited,
Management Consultants,
Abacus House, Gutter Lane,
London, E.C.2.

The Chief Accountant we're looking for will be a man of personality and ambition

...aged 30-45 and qualified. Our clients are a group of private engineering companies, based in the North West, with a labour force approaching 500.

The right man will be capable of setting up sound management accounting procedures involving the complete reorganisation of management information. He will be responsible to the Managing Director and have the personality and ability not only to initiate and implement new systems but to ensure their effective application by the existing management team.

The man we want will currently be earning around £3,000 p.a. There is considerable scope for advancement.

Applications in confidence with full details of experience and qualifications to:
A. C. Livingstone, F.C.A.,
Hindley Securities Ltd.,
18a Ribblesdale Place, Preston.

Hindley Securities
FINANCIAL CONSULTANTS

MALE CONTRACT CLERK

Leading firm of City Stockbrokers requires a fully experienced Male Contract Clerk. Applicants must have a complete working knowledge of Stock Exchange commission rules. Good salary plus profit sharing. Applications (from fully experienced persons only) to Box CL 3345. Foster Turner & Benson Ltd., St. Alphage House, Fore Street, London, EC2Y 5DP.

DIVIDEND CLERK required by medium-sized stockbroking firm. Good salary and prospects. Write or telephone, Office Manager, Tustain & L'Estrange, 19, Great Winchester Street, E.C.2. 588 2417.

SECTION HEAD for Transfers Department. Excellent Opportunities for young men 23/25 with sound experience, seeking responsible position. Negotiable from £1,500. CONDUIT, 107 Moorgate. 628 8461

INVESTMENT DEPARTMENT

Leading City Stockbrokers with expanding bank/private clients section of their Investment Department require **JUNIOR ASSISTANT** to manage **SCAN** valuation service. Salary up to **£1,250 p.a.** with competitive bonus arrangements. Write Box 4006, c/o Whites Recruitment, 72 Fleet Street, London, EC4Y 1JS.

DEPARTMENTAL MANAGER

Large and expanding shipping company requires an experienced and highly efficient man to head its purchasing department. He will have considerable responsibility and report direct to the Board. Very attractive terms will be offered to the right person.

Write Box A.2084. Financial Times, 10, Cannon Street, EC4P 4BY

INVESTMENT ASSISTANT

Up to £2,700

A medium sized firm of stockbrokers requires a man 25-28 with flair to assist partner on the investment side. He should have had at least three years relevant experience preferably involving institutional contacts. A degree in economics would be an advantage. Career prospects are excellent.

Apply
Career Plan
7 Wine Office Court EC4A 3BY
Telephone: 01-353-1858

STOCKBROKERS REQUIRE

assistant for the statistical department of a medium sized firm. Experience essential. Good prospects and salary. Usual fringe benefits.—Please write Box A.2089. Financial Times, 10, Cannon Street, EC4P 4BY.

CITY STOCKBROKERS

urgently require

ASSISTANT COMPTROLLER

Newly qualified (max. 26 years) A.C.A., C.A., or A.C.W.A.,
First class salary—fringe benefits. Write Box A.2078. Financial Times, 10, Cannon Street, EC4P 4BY.

APPOINTMENTS WANTED

Expertise Wanted?

Axed Group Advertising/Publicity/Editorial Manager. Last 18 years with Civil Engineering Group. 30 years wide and varied experience. National and international advertising campaigns, exhibition organising in both U.K. and Europe, technical and sales film production, technical and sales brochure preparation and production, press and public relations house journal editor. Would like to meet you to discuss a future with your company. Write Box A.2088. Financial Times, 10, Cannon Street, EC4P 4BY.

BUSINESS OPPORTUNITIES

CHESHAM

CHESHAM FOR MERGERS BY AGREEMENT

AMALGAMATIONS & INVESTMENTS LIMITED
LICENSED DEALERS IN SECURITIES
32 Chesham Place, London SW1. Tel: 01-235 4551

INTERMERGE

Don't sell now

For a good price, sell your firm in your own time. Start planning now with Intermerge, the key to a range of sympathetic buyers. Intermerge, 108 Horseferry Road, London SW1 (Tel: 01-799 3021).

FOR SALE AS A GOING CONCERN

Technical Sales Agency, mainly dealing in professional-type electronic products imported from the U.S.A. which are also re-exported to Europe.

Annual turnover at present in excess of £300,000 and there are some £50,000 worth of losses available to be carried forward. Working capital will have to be introduced and the basis for a sale envisaged is net asset value plus a fair premium for goodwill.

Would interested parties kindly reply in the first instance to Riley Advertising Limited, 35 Dover Street, London, W.1.

Partners in Property

Agents with good development schemes or medium term property trading situations—You can enjoy up to 30% equity participation plus scale fees. Write Managing Directors. Box B.5137. Financial Times, 10, Cannon Street, EC4P 4BY.

BARGAIN. LIMITED COMPANIES £36. Formation £35, inclusive Express Co. Registration Ltd. (Dept 9) 30, City Road London E.C.1 (01-628 5434-5)

4% p.a. profit—equivalent before surtax. No risk, short term liquidity, £2,000 min. investment.—Write Box B.5528, Financial Times, 10, Cannon Street, EC4P 4BY.

GOLDEN KITCHEN—Golden Opportunity Latest Trends—Take Away Foods Total Investment £7,500. Capital required £2,500. Brochure and details Golden Kitchen Sales Office, 27, Queen Square, Bristol. Tel. 0272 20224.

PROSPECTIVE HARVARD M.B.A. requires finance.—Write Box B.5518, Financial Times, 10, Cannon Street, EC4P 4BY.

MELPOND INTERCONTINENTAL

OVERSEAS PROPERTY INVESTMENTS

We are able to offer a selection of short, medium and long term opportunities for substantial capital growth and/or income,

from £3,000—£2,000,000

including hotel sites with own golf course, and groups of plots at a discount on or near urbanizations, blocks of flats and development land with or without planning permission, in the best holiday and residential areas of

SPAIN, BALEARICS, CANARIES,

as well as other countries

THE MELPOND ESTATE AGENCY
PARK MANSIONS ARCADE, KNIGHTSBRIDGE, S.W.1.
Telephone 01-584 3513/3520

For your diversification use our factory

As a Member Company of the expanding Crystalate Group, we specialise in the manufacture of OWN NAME plastic housewares, kitchen utensils, gardening items etc on a mass-production cost basis.

Our customers avoid the capital costs and problems of own manufacture whilst increasing sales scope and profitability with only a marginal increase in selling costs.

Your preliminary enquiries will be treated with all due confidence if addressed to:—

T. T. Campbell Garratt, Marketing Director,
The Lehman Corfield Company,
33 Holmethorpe Avenue,
Holmethorpe Trading Estate, Redhill, Surrey.

BUILDING FINANCE

The Southern Trust Ltd.

will advance up to 80% of the cost of land and building, £20,000 - £100,000 on approved residential developments. Prompt decisions.

THE SOUTHERN TRUST LTD.
Fairacre, Camden Park Road, Chislehurst, Kent.
01-467 2460 and 01-467 3602.

MANAGING DIRECTOR

required with administrative and sales experience in a position to invest £27,500 for 40% of the equity of an established and profitable West Country manufacturing company with present turnover of £100,000 p.a. and plans for considerable expansion. Write Box B.5533, Financial Times, 10, Cannon Street, EC4P 4BY.

SHELL COMPANY

Controlling interest in publicly quoted Shell company required.—Write Box B.5534, Financial Times, 10, Cannon Street, EC4P 4BY.

FORMER Managing Director of Public Company seeking partnership in textile, garments manufacturing company, or garment import export company. Some capital available. Write Box B5514, Financial Times, 10, Cannon Street, EC4P 4BY.

SMALL PRIVATE engineering company situated Midlands, low overheads, making horticultural instruments, wishes contact firm requiring additional capacity similar or other products.—Write Box B.5492 Financial Times, 10, Cannon Street, EC4P 4BY.

FUNDS AVAILABLE

for purchase of majority shareholding in Business or Finance company. Further monies can be provided for expansion. Must be based in London and essential that principals remain in control. Apply in strict confidence. Box B.5506, Financial Times, 10, Cannon Street, EC4P 4BY.

INVESTMENT OPPORTUNITY

20% return fully secured for client company in Construction Plant Industry. Minimum investment £1,000. For further details contact M. Brooks & Co., Accountants, at Medway (Kent), 46025.

PROPERTY INVESTMENT IN SPAIN

Investors required to participate in a 1,750 acre golf, hunting, recreational and residential development in an area becoming the new Costa del Sol in Spain. A limited number of investment units available at £12,500 each, excellent profits and returns on investments are envisaged. All monies will be secured against land. References given. Principals only. 57, Third Avenue, Frinton-on-Sea, Essex. Telephone 4491.

COMPLETE PRODUCTION planning control systems individually designed and installed small/medium factories any industry 3-4 weeks together with ancillary controls qualified engineering consultants £150 per week. Write Box B.5501, Financial Times, 10, Cannon Street, EC4P 4BY.

BUSINESS OPPORTUNITIES ALSO APPEAR ON PAGE 12

COMPANY NOTICES

AUDIO FIDELITY LIMITED

Amended Notice:
NOTICE IS HEREBY GIVEN THAT THE TRANSFER BOOKS of the Ordinary Shares of the Company will be CLOSED on 6th August, 1971 for the preparation of the Dividend Warrants for the year ended 30th April, 1971.

By Order of the Board.
DICKINSON, KEIGHLEY & COMPANY.
Registrars.
Vincent Street,
Sunbridge Road,
Bradford BD1 2PJ.

BRADLOW'S STORES LIMITED

NOTICE IS HEREBY GIVEN of the Annual General Meeting to be held on 31st August 1971. The register of members will be CLOSED from the 23rd day of August to the 31st day of August 1971, both days inclusive for the purpose of updating and compiling a list of shareholders eligible to vote at the Annual General Meeting.

By Order of the Board
The Standard Bank Limited,
10, Clements Lane,
London, EC4N 7AB.

THE HEMDALE GROUP LIMITED

NOTICE IS HEREBY GIVEN THAT the TRANSFER BOOKS of the Ordinary Shares will be CLOSED from 9th to 11th August, 1971, both dates inclusive, for the preparation of Dividend Warrants payable 23rd August, 1971.

By Order of the Board.
CAVENDISH REGISTRARS LIMITED.
Registrars.
Transfer Office
76 New Cavendish Street,
London, W1M 8AH.
19th July, 1971.

CONSOLIDATED GOLD FIELDS LIMITED

SEVEN PER CENT. SECOND CUMULATIVE PREFERENCE SHARES DIVIDEND FOR THE HALF YEAR PAYABLE ON 1st OCTOBER, 1971

NOTICE IS HEREBY GIVEN that the dividend will be paid to shareholders on the register at close of business on 6th September, 1971.

Income tax at the standard rate will be deducted except in the case of shareholdings of non-residents in respect of whom other arrangements are authorised by the Inland Revenue.

By Order of the Board,
J. R. STEWARDSON, Secretary.
22nd July, 1971.

LOCAL AUTHORITY BILLS

£1m Oxfordshire. £1m Bolton. £1m Bournemouth. £0.7m Grimsby. £0.7m Preston. £0.75m. Wallasey. £1m. Warley bills, issued 21st July due 20th October at 5 13/32%. These are only bills outstanding.

ROYAL BANK OF CANADA

DIVIDEND No. 336

NOTICE IS HEREBY GIVEN that a dividend of 22 cents per share upon the paid-up capital of this Bank has been declared for the current quarter and will be payable at the Bank and its branches on or after 1st September 1971 to shareholders of record as at the close of business on 30th July, 1971.

By Order of the Board.
J. K. FINLAYSON,
Chief General Manager.

TRIPOLI two flights a week each way by CALEDONIAN//BUA

THE SCOTTISH INTERNATIONAL AIRLINE

The best service going flies on Tuesdays at 19.20 and on Thursdays at 10.20 in 3hrs.5mins. from Gatwick-London's most convenient airport. Scheduled jet services to 23 countries.

هكذا من الأصل

The Executive's World

EDITED BY DAVID PALMER

Bickering between business schools and managers is useless, writes MICHAEL DIXON, Education Correspondent. But some laments from the schools point towards the root of the problem

Management education is badly managed

WORKING MANAGERS think British management teachers are not much good. Management teachers think British working managers are not much good. That is clear from the bickering which has resulted from the Owen Report's harsh criticisms of business schools. Mutual insult is a fine point to have arrived at when, within months, millions of pounds are going to be committed to expanding business teaching in this country.

The bickering is useless. But some laments from the schools point towards the root of the problem. "It is all very well for them to sit back and complain," said one professor, referring to practising managers in general, "but they don't understand the organisational problems we have to struggle with." As he implied, *British management education* as a whole is itself very badly managed.

It is run on a loose Christmas-pudding principle, with different people stirring in different directions at different times. Two of its divisions—the university and the further education sectors—are nationalised. These two are *mixed up in all types of management* education. The third, private sector division is mixed up in only the post-experience variety. This independent division is market-orientated often to the point of gimmickry. In contrast, the university division is production-orientated often to the point of pedantry. The fur*ther education division varies.*

Hotchpotch

This may seem a harsh description, but it is fair. It is made fairer still by pointing out that the managerial hotchpotch that is management education does actually make a good number of people into better managers. In this, it is probably more successful than some other managerial *hotchpotches are in making* profits.

Even so, it is now time for the *management of management* education to be put on an appropriate footing. While my necessarily unrepresentative chart sketches in the different divisions and types of activity, it gives no hint of the endemic ills which beset all types of management schools, often through no fault of their own.

The University schools are tied into the conventional university system. London—particularly—and Manchester are cushioned, but the others are fully exposed to university politics, which become especially ruthless when money for departmental expansion is at stake.

Very soon the University Grants Committee will tackle the Government about the financing of universities from next year until 1977. The Government's *enthusiasms* are more economic than academic. So there is a feeling abroad that the assumed economic benefits of expanding management education in universities might prove the best key to State coffers. More than one head of a conventional university department has noted the possible advantages of gathering in *some management education.* More than one head of a management school is consequently having to fight to keep all his limbs. You would get more *mercy from a cage* of Bengal tigers than from a mixed pack *of professors* with the scent of extra grants in their nostrils.

The possible UGC money is *effectively made* a bigger prize to manoeuvre for by the Council of Industry for Management Education's appeal fund. Companies have now donated nearly £6m. to this fund, to which the Government will eventually add perhaps £5m. CIME intends the final sum to go largely to the university sector.

Further education—which at present covers colleges and polytechnics alike—gets its money through the *local authorities.* The complexities involved are—unusually—both unpleasant and uninteresting. Suffice it to say, therefore, that the further education (FE) division of management education is beset with differing *ideological* attitudes and bureaucratic procedures, and is short of funds to develop its very wide *range of activities.*

Hopes were raised by the Government's decision to designate *regional management* centres within the further education division. But aspiring centres *seem* convinced that they will not receive extra money with which to establish themselves. So FE management educators are apt to squirm with rage when they think of the CIME appeal fund.

COURSES IN A SAMPLE OF MANAGEMENT SCHOOLS

			POSTGRADUATE			POSTGRAD POSTEXP'CE	POSTEXPERIENCE		
		BACHELOR DEGREE	SCHOOL'S DIPLOMA	MASTER'S DEGREE	DOCTOR'S DEGREE	DIPLOMA IN MGT. STUDIES	GENERAL FOR MID. MANAGERS	GENERAL FOR SR. MANAGERS	OTHERS
UNIVERSITY SECTOR	LONDON			2-YR MSc	MAINLY 3-YR		12-WK ALSO 10-MTH SLOAN PROGRAMME	6-WK.	SHORT CRSES IN SPECIFIC FACETS OF MANAGEMENT WORK
	MANCHESTER		1-YR IN BUSINESS ADMIN.	DIP CRSE PLUS 1 YR FOR MBA	MAINLY 3-YR		12-WK.	17-DAY.	SHORT CRSES IN FACETS. GROUP PROJECTS WITH COMPANIES; CRSES FOR SPECIFIC INDUSTRIES.
	BRADFORD	3-YR.	9-MTH IN INDUSTR'L ADMIN.	DIP CRSE + 3-27 MTHS FOR MSc.	VARIOUS LENGTHS		6-WK.	4-WK.	SHORT CRSES IN FACETS CRSE FOR CONSTRUCTION INDUSTRY
	WARWICK	3-YR.		TWO FOR MSc, ONE FOR MA; ALL 12 MTHS	VARIOUS LENGTHS				SHORT CRSES IN FACETS; CRSE FOR SPECIFIC INDUSTRIES.
FURTHER EDUCATION SECTOR	LONDON POLYTECHNIC		FULL AND PART-TIME IN PERSONNEL MGT., WORK STUDY AND ADMIN. OF ARTS	5-TERM MA, ALSO MPHIL BY RESEARCH	VARIOUS LENGTHS	FULL & PART-TIME DMS. + SPECIALIST POST-DMS STUDIES		6-WK.	VARIOUS LENGTHS, FULL, PART-TIME, AND SANDWICH IN FACETS, TECHNIQUES AND FOR SPECIFIC SECTORS.
INDEPENDENT	HENLEY						11-WK.	3 WK.	5-WK IN INTERNATIONAL MGT. SHORT CRSES IN TECHNIQUES, CRSES FOR ORGANISATIONS.
	ASHRIDGE						8-WK ALSO 4-WK.	3-WK.	4-WK, 3-WK, AND SHORTER CRSES IN FACETS.

The independent colleges are also displeased with the universities' near-monopoly of grant-aid. It enables university schools *to subsidise their post-experience* courses, whereas independents have to charge an economic price.

However, the independent division has some advantage over its nationalised counterparts. It is isolated from the academic urge.

FE management educators are *not isolated.* The Secretary of State for Education and Science has officially encouraged them to *concentrate* on developing full-time courses of high academic quality. But they did not need Mrs. Thatcher's bidding. The pecking order—which esteems and rewards lofty university-level work above any other type—was already pulling them towards higher-degree courses.

Career success in the State *education system is determined* by the academic level of one's work; practical usefulness is peripheral. What industry and commerce want from management education is primarily practical usefulness; academic level is peripheral.

Practical ends imply that the main emphasis of business studies should be on programmes which set working managers to "learn by doing" and supply theoretical knowledge, *formal* teaching, and tuition accordingly. Professor Reg. Revans, managing director of the Brussels Inter-University Programme, has made an *impressive*—if exclusive and pricey—start in this direction in Belgium. Such programmes will not be generally developed, however if the main emphasis is determined by academic criteria. These give pride of place to theoretical knowledge, which in turn calls for much full-time teaching.

Strategic

Academic traditions dictate that students should take the weightier courses when they are in their mid-20s, before they have been too long out of general education to regain the habit of formal learning. Industrial and commercial traditions in this country imply that the *bulk of education for excellence* in "general management" should be for people in *their* mid-30s, when they are close to moving into a strategic role.

This is not to say that present business traditions are necessarily appropriate to effective management. For example, Professor A. T. M. Wilson of London Business School has pointed out that traditional company structures require managers to spend years effectively training to conserve assets. As a reward, the best conservers are suddenly made riskers instead.

This, for a start, needs changing. I believe the most promising means is project group education in which teams of capable young managers in the same company tackle real problems and are helped by management schools' knowledge and advice.

Practising managers and management tutors could work together *on all sorts of real problems,* including risk taking. The company men would be under the real pressure of having to make a specific recommendation to their bosses. Yet the final decision on a risk would be left to the experienced men at the top.

Unfortunately, although project *group education is practised* sporadically in FE and at Manchester Business School, its general development is against academic traditions. These require students to be assessed individually for academic awards. They could hardly be assessed individually on results achieved by working in groups, even though the bulk of the world's work is now done by groups.

I believe, therefore, that conventional *academic aims conflict* with the purpose of management education. Since the State education system is fundamentally directed towards conventional academic ends, I believe it best to divorce management education from general education, leaving behind only the undergraduate-type courses.

The rest could be renamed management development and guided by a body on the lines of the University Grants Committee acting as a buffer between management centres—whatever their origins—and a single Government Department. To-day *three are involved in various* ways—Education and Science, Employment, and Trade and Industry. The best choice would be the Department of Employment.

There is no reason why the Government could not continue to supply the same amount of money through the new *structure, at least for a transitional* period. There is no reason why the new structure and the general education system should not continue to be linked informally.

There is every reason, however, why the radical reform of the management of management education should be given full consideration right away. Once the next multi-million pound investment is finally committed to *the present set-up, we shall* be stuck with a structure growing more academically resplendent, but not more practically useful.

How to benefit from stagnation

BY G. TUGENDHAT AND A. KENNAWAY

MR. BARBER'S mini-budget is *designed to produce a sharp* increase in capital investment by U.K. industry. Hopefully, during *the months of* stagnation and tight profit margins that industry has been living through, it will have learned some important lessons on how to squeeze greater returns out of its existing plant. And hopefully, these lessons will now be applied in the coming boom period.

New investment is usually incurred to increase operating efficiency, increase output, to turn out new products, and nowadays also to comply with *anti-pollution* regulations. With plants working below capacity, *management should* have had time to think and to review production and distribution processes.

A calculated approach to improving the return on capital is often neglected in firms with*out the disciplines of the major* process industries. In how many cases does the management have a complete awareness of material balance and efficiency? We know of a case where a close study of raw material utilisation has revealed losses of more than 5 per cent. This could be eliminated without incurring any significant capital investment by closer attention to weighing, mixing and plant control through a study of theoretical material usage, rather than slavish adherence to standard costing.

Detailed studies

In the case of an engineering *works detailed studies of operational* runs yielded the by no means astonishing result that if greater attention were to be paid to maintaining key parts of the equipment disproportionately better results could be achieved. Economies in energy consumption can be brought about by controlling the use and the cycle *of energy used in the plant.* It is instructive to watch the effects of the installation of simple instruments registering the consumption of steam, power and electricity per individual plant unit and of controlling boiler efficiency.

A recession is also the time to deal with the problems which we could describe as the *failure of success,* that is, plants which were developed from the design *laboratory stage* and which by some fluke were translated to the factory floor without any further calculations, where they gave reasonable satisfaction witho[...] *anybody knowing the reas[...]* why. Slack times can also [...] profitably employed to work o[...] alternative uses of the existi[...] plant for new products, or [...] least on the changes whi[...] would be required to make t[...] existing plant do the addition[...] work. It is also possible to [...] tire plant of low efficiency a[...] to concentrate production on t[...] most efficient units.

Marketing methods

The accounting system shou[...] be overhauled so that it sho[...] up the profitability or otherw[...] of every existing operation ri[...] *down to the end product.* [...] the U.S., the American jun[...] and middle management is m[...] entrepreneurially minded t[...] its English equivalents. Ma[...] people have misused their [...] remits to *limit* their respon[...] *bility for the firm's success* [...] that of their own department.

On the marketing side [...] should study the suitability [...] existing marketing metho[...] customer relationships, mark[...] ing knowledge, acceptability [...] the products, and what kind [...] alteration would be required [...] improve it, and finally [...] relationship between resear[...] manufacturing and the mark[...] ing sides. All too often co[...] munications between these th[...] main factors are inadequate. [...] too much or too little atten[...] is paid to one of the three w[...] *adverse effect upon the mark[...]* ability of the products.

Distribution may also n[...] looking at. Often goods are [...] handed over to a forward[...] agent without adequate study [...] to the most appropriate and [...] fitable means of packaging [...] getting it to the customer. Wh[...] we join the Common Market t[...] *will become a major factor* [...] the competitiveness of Engli[...] companies. Some firms on [...] Continent will not buy in [...] U.K. unless the producer ma[...] tains a local warehouse, [...] guarantees to maintain minim[...] stocks—the volume of it [...] usually laid down by the buye[...]

Particular care should [...] *exercised that all new investm[...]* yields the maximum return. T[...] acquisition of the most mod[...] tools *should* take the high[...] priority, as on them will, t[...] large extent, depend [...] efficiency of the plant.

Dr. Tugendhat and A. Ken[...] way are partners in Corpor[...] Development Consultants.

Management ideas from abroad

These summaries of articles from the overseas management Press are condensed from Anbar Management Services Abstracts. Readers wishing to consult original texts should either write to the individual magazines or communicate with Anbar at P.O. Box 23, Wembley HA9 8DJ; telex 935779.

THE CORPORATE IMAGERY MIX
S. H. Britt in **Business Horizons** (Graduate School of Business, Indiana University, Bloomington, Indiana 47401 U.S.) Feb. 71.
Considers the various publics an organisation must be concerned to impress: regional and national, present/potential/former customers, employees, the *financial* community, suppliers, distributors, government; concludes that the *determination of the* appropriate imagery mix is a Herculean task. Considers product appearance, containers, brand names, graphics, outlets, employee attitudes, and promotion.

THE DRUG PROBLEM IN BUSINESS
H. M. F. Rush and J. K. Brown in **The Conference Board Record** (845 Third Avenue, New York, N.Y. 10022 U.S.) Mar. 71.
An investigation into the attitudes of over 200 companies to drug usage by employees: to what extent a problem is sensed (many more companies sense a problem than have one at present), the effects of drug addiction (with *absenteeism* leading the field), and what action companies take when drug taking is discovered.

THE NESTLÉ PRODUCT MANAGER AS DEMIGOD
P. d'Antin *in* **European Business** (28 boulevard Raspail, Paris 7, France) Spring 71.
Examines marketing reasons for Nestlés adoption of a product-oriented organisation structure, in which a standardised organisation pattern operates for all country subsidiaries; describes the standard method followed by each product manager, involving the compilation of product and general fact books for the country and product to which he is assigned on completion of training; his *responsibilities for budgeting* over a six-year period, evaluating market activities and pre*paring advertisement* briefing material. Stresses the decentralisation of decision-making to him once the product budget has received HQ approval. Discusses the advantages of the system, and the influence the top marketing executive can have on product managers. Describes in some detail the delicate, powerful yet sometimes weak position of the product manager, its limitations and dangers.

ORGANISING SECURITY
W. E. Schweiter in **Industrielle** *Organisation* (Zurichbergstrasse 18, Zurich 7/32, Switzerland) April 71.
Deprecates the fact that notwithstanding the considerable security risks in industry, security is rarely comprehensively organised. Recommends the setting up of a security organisation on which representatives of company divisions work alongside security specialists; the latter provide the *specialism,* the *former* retain executive responsibility.

DISINVESTMENT: HOW TO *SHRINK AND PROFIT*
J. Thackray in **European Business** (28 boulevard Raspail, Paris 7, France) spring 71.
Examines a number of prominent U.S. examples of disinvestment—that is, companies selling off part of the business, the many different motives for so doing, the economic effects, *the accounting* and staff morale implications. Among the many quoted cases are G. E./Honeywell and Dart Industries/3M.

JOINT VENTURES IN JAPAN
J. C. Baker and T. Kondo in **MSU Business Topics** (Michigan State University, East Lansing, Michigan 48823, U.S.) winter 71.
How Japan exercises strict control over foreign investment; what the restrictions are, and how foreign companies can in theory overcome them; how effective control of joint venture is nevertheless kept in Japanese hands.

THE THEORY OF ACCOUNTING AND INFORMATION SYSTEMS
S. Colantoni and others in **The Accounting Review** (1507 Chicago Avenue, Evanston, Ill. 60201, U.S.) Jan. 71.
Discusses the possibilties of modifying conventional accounting to make it more compatible with computer technology and techniques; suggests a method for constructing an accounting data base which would utilise the computer efficiently and introduce flexibility for expansion to multi-dimensional data files. *Pinpoints* the *double-entry* system as the major drawback in applying these techniques, *and questions its relevance* and usefulness in the concept of a total management information system.

DEPRECIATION UNDER CHANGING PRICE LEVELS
B. J. Mills in **The Australian Accountant** (49 Exhibition Street, Melbourne 3000, Australia) Feb. 71.
Takes issue with L. J. Nethercott who has stated the case for retrospective adjustment of *depreciation charges to* prevent erosion of capital. This author sees such adjustments as contrary to basic accounting theory and suggests Nethercott's objectives can be achieved by retaining funds within the business, allowing such funds to appreciate.

THE IRRATIONAL SELLER
R. M. Hexter in **Financial Executive** (50 West 44th Street, New York, N.Y. 10036 U.S.) Feb. 71.
Suggests that the irrational thoughts of an owner selling a company (for example the wish to continue in management or alternatively the wish to retire) should be brought out into the open—they can often be made tangible, negotiable items. Catalogues the types of irrational factor that are likely to cloud negotiations.

MEASURING THE INTANGIBLE BENEFITS
C. W. Bagstad in **SAM Advanced Journal** (Society for Advancement of Management, 1472 Broadway, New York, N.Y. 10036, U.S.) Apr. 71.
Describes some of the intangible benefits of computer systems and *outlines an opinion-polling* technique for their financial evaluation, using a hypothetical example. Lists the steps involved in the evaluation process, and provides some general comments on the technique.

PPB IN THE GOVERNMENT OF CANADA
A. W. Johnson in **Cost and Management** (P.O. Box 176, Hamilton, Ontario, Canada) *Mar./Apr. 71.*
This concerns the implementation of PPB procedures in the *Canadian Government. Covers* the concept of PPB, the nature of government decision making and the environment into which PPB must fit. The roles of PPB, the political nature of most decisions and a condemnation of "incrementalism"

SUGGESTIONS FOR EXPERT ACCOUNTING WITNESSES
H. W. Wright in **The Journal of Accountancy** (666 5th Avenue, New York, N.Y. 10019, U.S.) Mar. 71.
Advice to the accountant on the conditions in which it is advisable to accept (or decline) invitations to appear as expert witness in court. The desira*bility of a preliminary examin*ation of the facts; the right to withdraw. The duty to be partial without being unethical. Research, field work, relations with counsel. Giving testimony, behaviour in court, watching the judge at work before being called; how to behave under cross-examination. Length of *cases and fees.*

THE FINANCIAL TIMES
(Established 1888)
Incorporating THE FINANCIAL NEWS
(Established 1884)
Head Office Editorial & Advertisement Offices:
BRACKEN HOUSE, CANNON STREET, LONDON, EC4P 4BY.
Telephone Day & Night: 01-248 8000. Telegrams: Finantimo, London
Telex: 886341/2, 883897
FOR SHARE INDEX AND BUSINESS NEWS SUMMARY RING: 01-246 8026
Birmingham: George House, George Road 021-454 0922
Leeds: District Bank Chambers, Park Row 0532 24969
Manchester: Queens House, Queen St. 061-834 9381
Paris: 36 Rue du Sentier 236 50-59
Bonn: Pressehaus 11/232 Heussallee 2-10 222596
Frankfurt: 6 Frankfurt am Main, Im Sachsenlager 13 555730 (editorial) 554667 (business)
Brussels: 18/22 Rue du Commerce 136563
Rome: Via della Mercede 55 ...... 681 314
New York: 99 Wall Street, NY 10005 Editorial—212 944 5257/8 Circulation—212 972 9883 Advertising—212 MU8 7550
Washington: Second Floor, 1325 E. Street, N.W., Washington D.C. 202 347 8676
Toronto: 5 Ont.: 6 Charles St. E. 368 7851
Jo'burg: 801 Reserve Bank House, 80 Commissioner St. 23 3971
Sydney: c/o News, Ltd., 22 Holt St. 211 1171 12 0933

FRIDAY JULY 23 1971

Unemployment at 3.4%

IF THE FULL unemployment figures for mid-July had been available at the beginning of the week, they could only have strengthened the arguments in favour of the Chancellor's reflationary package. In the previous two months, and especially in the month to mid-June, the rate at which unemployment was rising had slackened appreciably, so giving some grounds for hope that the curve might soon level out of its own accord. Now, however, it has suddenly become much steeper: an exceptionally large rise has taken the proportion of people wholly without work to 3.4 per cent.

There is no special explanation for this jump. It is possible that a larger number of adult students than usual are registering at employment exchanges, and this would account for a surprisingly large increase in the number of people unemployed in the South-East region. In the main, however, unemployment is continuing to rise because demand has turned out to be lower than was expected at the time of the Budget and because inflation has not been overcome. While there was an abnormally sharp rise in unemployment during the latest month, there was an abnormally sharp fall in the number of unfilled job vacancies for adults.

Long-term

School-leavers without work are not included in these figures. The number rose last month and will rise still more next. Although school-leavers may have more difficulty than usual in finding suitable jobs, however, the employment problem is not so serious for them as it is for adults. In the first place, the number of unfilled vacancies for young people is rising; in the second, half the boys and girls of under 18 who are unemployed have been without work for a month or less.

In the case of adult men, on the other hand, the duration for which many of them have been unemployed is one of the most serious features of the situation. The broad picture is this. Unemployment has been *rising for nine months in succession* and has now reached an average level of 3.4 per cent. But this average conceals the fact that the proportion is over 4 per cent. in half the ten regions and amounts to 7.8 per cent. in Northern Ireland. It also conceals the fact that the proportion of men without work is below 4 per cent. in only two of the regions, amounts to 4.7 per cent. overall and has reached 10.2 per cent. in Northern Ireland. Of these unemployed men, at the latest analysis in May, nearly two-thirds had been without work for two months or more and *nearly a third for six months* or more.

Re-training

Mr. Barber's package, together *with the measures which were already in the pipeline*, should have the effect before long of preventing unemployment from rising further, but it may be some time before the figure comes down to a more tolerable level. It may well be, too, that it will not even then return to as low a level as that to which we have been accustomed. Employers have been forced by rising labour costs to find ways *of economising in the use of* labour and may not forget what they have learnt when demand recovers.

It is possible that the proportion of the long-term unemployed who are virtually unemployable for one reason or another has increased as a *result of the latest recession.* And the concentration of unemployment in particular regions demonstrates that the regional policies of successive governments are still a long way from achieving their object. The scheme which Mr. Carr announced this week, therefore, *which seeks to persuade the* unemployed to choose to go on re-training courses rather than merely to draw unemployment benefit, is of considerable potential importance. The question is whether the inducement offered is sufficient and whether enough is being done, even now, to provide training centres.

Dr. Klasen and the D-Mark

THE German Government continues to assert, as it has done for several weeks, that it will take no decision on the return of the Deutschemark to a fixed parity until after the summer holidays, and probably not before the annual meeting of the International Monetary Fund. Yet if any significance is to be attached to Tuesday's press conference by Dr. Karl Klasen, the Bundesbank President, it is that a revaluation of the D-Mark is now a foregone conclusion, even if the date and the amount remain uncertain.

Dollar sales

This was certainly the conclusion drawn by the foreign exchange markets from his statement that the Bundesbank would be happy to sell another $10,000m. worth of dollars, and that Germany's partners are no longer demanding a return to the old parity of DM3.66. Bundesbank sales on Tuesday pushed the D-Mark 5 per cent. above its official level, and though the Bank stayed out of the market yesterday, the rate moved still further up, to a de facto revaluation of 5.8 per cent.

The Economics Ministry aims to detect signs of a cooling off in the German boom, and there are those in Bonn who argue that by the autumn the domestic German situation may be such as to make a revaluation inappropriate. In view of the experience of the past few years, however, the German economy would have to be moving into a recession before the Government could plausibly return to DM3.66 with any hope of making it stick.

Meanwhile in Paris, the Government continues to deny rumours that the franc could be a candidate for revaluation—rumours which the German Agriculture Minister, Josef Ertl, has been doing his best to keep alive in the past few days. In purely national terms, the French Government's position is eminently re[illegible] the balance of payments [illegible] would add to the problems of the Common Market's farm policy, whose prices are fixed in terms of gold.

Yet it now appears that influential figures in the French administration are beginning to question whether these arguments deal satisfactorily with all the aspects of the situation. The franc may not be an undervalued currency in relation to the world at large; but like most European currencies it is probably undervalued in relation to the dollar, and with every week that passes it begins to look increasingly undervalued in relation to the D-Mark, especially when one takes account of the 20 per cent. gap opened up by the parity changes of 1969.

All the Common Market countries are now immensely dependent on their trade with each other, which accounts for between 40 and 60 per cent. of their world trade. This dependence is particularly acute in the case of the three small countries, and it seems likely that they would be forced to follow in the wake of any German revaluation of much more than 5 per cent., even though Holland's payments are in deficit. The French Government may be reluctant to undo the benefits of the 1969 devaluation, but it is also bound to consider the inflationary impact of a 5 per cent. increase in the price of imports from its main trading partners.

Turning point

In short, the Six could be approaching a crucial turning point in the process of economic integration. The French have so far resisted the German proposal under which the Community currencies would collectively float upwards against the dollar, but they appear to be less hostile to the idea of monetary flexibility than in the past. A compromise solution—for example, for wider margins vis-à-vis the rest of the world—would need to take account of the common agricultural policy. A failure to compromise could jeopardise both the farm policy and the Community's plans for monetary union.

Boom time at last for the motor manufacturers

BY JAMES ENSOR

THE MOTOR industry now faces some of the most encouraging prospects it has been able to look forward to for 10 years. The Chancellor's *actions last Monday are bound* to boost demand for cars, more than that of any other product except, possibly, colour television, for car buying has become a highly psychological process. Most Britons now own cars, and the market has become largely one of replacement. Except in rare instances, the new car buyer is trading in an old one which still has plenty of mileage left. If his financial situation looks precarious, or if new car prices are too high, he can easily postpone a purchase. He will only be tempted to buy if there are new models which attract him, or if he feels that the moment is right.

Discouraging factors

In the past few months there have been a number of factors to discourage car buyers. Prices have been rising faster than ever before, with a 10 per cent. annual increment becoming the rule. At the same time, second hand prices have been below 1970 levels, so the buyer of a new car has had to dig deeply into his pocket to find the cash to bridge the gap between the trade-in value of his old car and the price of the new one. And buyers have found it increasingly difficult to bridge that gap.

The car market, inevitably, was beginning to feel the effects of this cost escalation—as economists in the industry had expected. Although 1971 started well with high registrations, running as much as 15 per cent. ahead of comparable months in 1970, the gains had begun to tail off appreciably. In June, the figures released to-day show, the gain was barely 3 per cent. over 1970. The total sales of 100,000 cars made *it only* a mediocre month, and when the figures are adjusted to an annual rate they produce an outcome which is only slightly better than 1970. For the British manufacturers, the position was even less encouraging, for their total sales of 80,000 were lower than in *June, 1970. In short, any slight* boost in the market was being taken by imports.

But the abandonment of hire purchase restrictions and the purchase tax cuts have changed the position from one of stagnation to one of gentle expansion. It seems that the immediate *effect will be to create record* sales in August, giving the industry perhaps the best single month that it has ever recorded. And the year's sales may reach the 1.2m. mark, some 35,000 cars more than the industry had expected.

The real gain, though, will come in 1972, which should be a record year. The Chancellor, it is estimated, will have added another 80,000 cars to 1972 sales, so that registrations will reach 1.3m., exceeding the 1964 level for the first time. Since most of the British manufacturers have a substantial margin of spare capacity, there should be no problem about meeting demand, and it is unlikely that the market boost will lead to any unexpected surge in imports.

The most encouraging point for the industry, however, emerged in a little reported speech made by Sir John Eden, the Minister for Industry, at Luton earlier this week. Sir John, who was driving the one millionth Viva off the Vauxhall assembly lines, took the opportunity to emphasise that he saw a strong relationship between the prosperity of the *British motor industry and the* British economy generally.

This is something which the Labour Government never explicitly accepted. Domestic sales declined steadily between 1964 and 1969 as a result of Government pressure. While demand in Germany, France and Italy rose strongly and fairly steadily. So, whilst Opel, Fiat and Renault were able to invest in substantial new capacity and set production records year after year, British Leyland, Ford U.K. and Vauxhall were faced with stagnant or even declining output.

This had produced a position of substantial over-capacity in the British motor industry. Vauxhall, one of the worst affected, has a current capacity for 480,000 vehicles and last year produced only 170,000 cars and 100,000 vans and trucks. As a result, only its Viva lines at Ellesmere Port have been working on a double shift and much of the rest of the Vauxhall-Bedford operation has been saddled with heavy fixed costs and low revenues.

The situation at Vauxhall and in much of the rest of the industry, except strike-hit Ford, has already improved dramatically. With a six-month period uninterrupted by major strikes, Vauxhall has been able to increase car sales by 22 per cent. and commercial vehicle sales by 24 per cent. in the U.K. Exports have done even better, to give Vauxhall a total sales increase of 25 per cent. to 183,000 vehicles in the first half of 1971.

Chrysler, which has begun to sell the Avenger in quantity to the U.S. and has consolidated its position in the British market with a share of 11 per cent. during 1971, can report a similar performance. Its car output so far this year has been almost 50 per cent. higher than in 1970. Even British Leyland's Austin-Morris division has produced a 27 per cent. gain in output at a time when most of its Cowley plant was being rebuilt to produce the Marina and the important labour negotiations to switch to measured day work were under way.

Naturally, in an industry where volume and profit are almost synonymous, such production gains have produced their financial reward. The industry has climbed out of the disastrous trough of 1970, when three of the four volume producers were losing money heavily. Alex Rhea, Vauxhall's new managing director, was able to report six months' profits of £8.29m. before tax yesterday, a sharp recovery from the £1.09m. lost in the spring and summer of 1970.

Chrysler U.K. has been running profitably so far this year, and it seems likely that Austin-Morris will break into the black as Marina production builds up and costly stoppages induced by disagreements over piece rates diminish.

Most industry leaders are talking optimistically—if *sotto voce* —about a new climate of labour relations in the industry. The outcome at Cowley, where workers over-rode their shop stewards to accept a generous fixed pay plan in place of the controversial piece rate system, was an important breakthrough.

At Vauxhall's Luton and Ellesmere Port plants, where matters became serious during 1970, labour is more co-operative. Ford, it is true, still faces difficulties at Halewood and Swansea, where the bitterness of the recent strike has not yet been smoothed away. But growing unemployment and the collapse of Rolls-Royce and Upper Clyde Shipbuilders with their ensuing redundancies, seem to have made their mark on the British motor worker. There appears to be a much greater *awareness than before that the* British industry is engaged in a struggle with the Continental producers on which its future prosperity, if not its survival, depends.

U.K. car market—where the models compete

PRICE RANGE*	SECTOR LEADER	BRITISH	IMPORT	IMPORT SHARE
Under £600 (10,000)	Fiat 500	—	Fiat 500, Citroen Dyane, Honda N600	100%
Under £700 (145,000)	Mini	Mini, Imp	Renault 4, Fiat 850, NSU Prinz, Citroen Ami, DAF 33	20%
Under £800 *(180,000)*	Viva	Viva	Volkswagen 1200, Renault 6, *Simca 1000, Opel Kadett*	32%
Under £900 (250,000)	1100/1300	1100/1300, Escort, Avenger	Renault 8, Fiat 128, Simca 1100, DAF 55	8%
Under £1,000 (240,000)	Cortina	Cortina, Marina, Hunter, Firenza, Toledo	Renault 12, Fiat 124, Simca 1204, Toyota Corolla, Datsun 1400-1600, Citroen GS	10%
Under £1,200 (200,000)	Capri	Capri, Maxi, Zephyr, Victor, Triumph 1500, 1800	Renault 16, Volkswagen 1600, Peugeot 204, Simca 1301, Simca 1501	15%
Under £1,500 (15,000)	Fiat 125	Cresta, Rapier	Fiat 125, Chrysler 180, Opel Rekord, Opel Ascona, Toyota Corona, Datsun 1800, Lancia Fulvia, Simca 1501, Opel Manta	75%
Under £2,000 (80,000)	Rover 2000	Rover 2000, Triumph 2000, *Zodiac*, Ventora, Viscount	Volvo 144, Audi 100 LS, BMW *1600-1800*, Alfa Romeo *1300*, Alfa Romeo 1750, Saab 99, Opel Commodore, Toyota Crown, Peugeot 504	30%
Under £3,000 (17,000)	Jaguar XJ6	Jaguar XJ6, Rover 3½ litre, Reliant Scimitar	Mercedes 220, BMW 2500, Volvo 164, NSU Ro 80	33%
Under £5,000 (1,500)	Mercedes 280	—	Mercedes 280, BMW 2800, Porsche 911	100%
Over £5,000 (2,000)	Rolls-Royce	Jensen, Aston Martin, Rolls-Royce	Ferrari, Mercedes 300 SEL, Mercedes 350 SL, Mercedes 600, Lamborghini, Maserati	15%

* Also showing the expected yearly sales.

Importer vs. importer

With market growth and better labour relations in prospect, British motor executives now have only heavy wage inflation and the import challenge to worry about. Most sales *directors accept that the importers* will never be dislodged from their present position in Britain. An import market share of 20 per cent. or more is the norm for Common Market car producers, and there is no reason to assume that Britain will be different.

Probably imports will *continue* to gain beyond the 20 per cent. reached in May and June, to perhaps an eventual ceiling of 25 per cent. But their growth from now on will be much slower than in the past.

The importers are beginning to compete among themselves as much as against British producers. As the table shows, imports have been highly successful in certain clearly defined market sectors. They have sold well in the under £800 class, where they face little British competition except from the Mini and Hillman Imp. These small cars are quite unprofitable to produce—one reason why neither Ford nor Vauxhall bothers to—so that the British industry is content that imports should corner this market.

Imports have also sold well in two other sectors of the market—the £1,200-£1,500 price range and the £3,000-plus category. In the mass volume sectors represented by the Austin 1100, the Ford Cortina and Capri, where the British industry is entrenched, they have had to be content with a modest share of the market.

The most serious gap is between the Ford Capri and the Triumph and Rover 2000. Leyland has been so successful in *the two-litre market that it has* been able to edge the price of its cars upwards, leaving only the most expensive versions of the Capri and Cortina to compete with a host of foreign cars. Triumph will launch its 1850 Dolomite and Ford its Granada into this gap next winter, which should strengthen the British position.

The other major gap is above the Jaguar XJ6, which is so competitively priced that Mercedes-Benz has been able to develop a valuable market among those who like to pay more. The arrival of a 12-cylinder Jaguar, the XJ12, should eventually make this sector more competitive. But it is not due for a year or more, and Jaguar is unlikely to be able to produce enough to meet demand for several years.

The import situation when analysed price sector by sector *is not nearly so worrying as at* first appears. Between 40-50 per cent. of imported cars are sold in the under-£800 class where only Austin-Morris still competes strongly. Imports also sell well in the £1,500-plus category where buyers are more cosmopolitan and are prepared to pay a little extra for distinctive styling. But this is a sector in which British makes should also score strongly inside the Common Market.

The bright Common Market prospect is, perhaps, the best omen of all for the motor industry. Lord Stokes, Gilbert Hunt and other industry chiefs have repeatedly urged British membership. With its present cost position, which is better than the German or Italian ones (though worse than the French) the British industry should certainly gain from membership.

Marketing support

Vauxhall, for instance, will gain access to the General Motors sales companies in France, Italy and Benelux on a footing more comparable to Opel's. Similarly, Chrysler will have more incentive to sell British cars in the Common Market with the kind of effective marketing and sales support which has tripled its imports of French cars this year.

In the longer run, the prosperity of the British car industry will depend on its product innovation, which has been cramped by poor markets in recent years.

Models such as the Avenger, Marina, Capri, Rover and Jaguar XJ6 compare favourably in design and pricing with anything produced on the Continent. But Renault, which in the past few years has introduced the Renault 6, 12, 15 and 17, or Fiat, with the Fiat 128, 130 and 127, have set a higher rate of model introduction than any British company. This, perhaps, is where Mr. Barber's new policies and the greater co-operation of the unions will be of greatest value.

MEN AND MATTERS

Why one rich American did not come to Lloyd's with his horse

As racehorses go, Mill Reef is unusual. He is worth £2m.—and completely uninsured. It is not that owner Mr. Paul Mellon, for whom Mill Reef has already won the Derby, the Eclipse Stakes and more than £120,000, does not think highly of his horse. He does. He will certainly be at *Ascot to-morrow* to watch Mill Reef (hopefully) win the King George VI and Queen Elizabeth Stakes, the race which De Beers is to sponsor in 1972. Nor is it that Mellon cannot afford the premiums—the Philadelphia banking family from which he comes is one of the *richest in the world. It is simply* that when you own as many racehorses as Mellon does (at least 20 in Britain and many more in America), where do you begin?

To insure Mill Reef fully against mortality at the going rate of about 2.5 per cent. per £100 would cost £50,000 a year, and would at least temporarily swamp this specialised, if lucrative, sector of the London insurance market. According to a leading broker's estimate yesterday, London handles roughly 90 per cent. of the world trade in equine insurance. Its total value is unknown, but certainly runs to "many millions of pounds."

Lloyd's handles a good 50 per cent. of the business. The remainder is usually spread around among a limited number of big companies (Sun Alliance and London and the Norwich Union, for example).

Much of the most lucrative business comes from the U.S. The American-owned Nijinsky was reportedly insured for more than £1m. during the latter stages of his racing career—easily a record. Even Japan's underwriters re-insure on the London market. The sort of horse most commonly insured for a large sum would be, say, the dam of a Derby winner, whose value might suddenly jump from £10,000 to £100,000. Horses in training are usually insured against "all risks of mortality," such as natural death or humane destruction. And stallions can be insured (at about 2.25 per cent. per £100) against congenital infertility.

The London market at the moment is said to be "fairly strong"—there is a reasonable amount of underwriting capacity about. But there is one black cloud. The U.S. authorities have just sealed off Texas in a bid to halt the spread of Venezuelan equine encephalomyelitis—a form of sleeping sickness—which has raced through the southern Americas. Up to 200 horses a week have been dying in Texas. If it got to the grasslands of Kentucky, the results could be disastrous: a great many U.S. racehorses are *insured with Lloyd's.*

..and another took to polo and rock

"There is this moment of fearful suspicion as the hairy ones meet the rather square polo players. But in the end they have always got along very happily." Mr. Michael Butler was explaining his strange crossing of social barriers. He is very rich, coming from the American family whose fortunes are based on paper making and real estate. He followed his father in being a polo enthusiast and player, despite a crippled arm. But he didn't go into paper. Instead he has backed and produced the musical *Hair.* His present project is *Lenny,* a New York show based on the life of the late drug-taking black humorist Lenny Bruce. The next is a rock musical about the Frankenstein story.

Butler has made a point of "taking some of the kids out to the matches, and telling the polo brigade to groove on *Hair.*" He is also convinced that "polo will survive only if it broadens its social base." So in one sense, Butler slightly disapproves of the polo jamboree he has helped to organise on Sunday, the Coronation Cup match between England and the U.S. at Cowdray Park.

For in this kind of polo, the base is very narrow. For example, ordinary players can *get by with one pony, certainly* with three. But on Sunday the teams of four players will be using a different pony for each of six chukkas. While the match should produce "great quality, fast polo," Butler would like to arrange a big "medium handicap tournament" here next year for the lesser players.

This should find favour with the British polo men, for one point about Sunday's match is that three of the four in the British team (the odd man out being Lord Patrick Beresford) do not come from the traditional polo playing classes, having graduated from pony club riding.

Tele-barons at odds

Sir Oswald Mosley has not lost his life-long capacity to provoke controversy—this time between those barons of ITV, Lord Bernstein of Granada and Sir Lew Grade of ATV. Next Tuesday evening the ITV network as a whole is due to show an ATV documentary in the series "A Kind of Exile." The subject is Sir Oswald. Yesterday, *Sir Lew* noticed that the TV Times for Granadaland did not list his documentary for showing, and issued a sour statement calling on Granada to justify itself.

The point is that the Tuesday documentary is a "mandated slot"—meaning in effect that *all ITV companies must show* a documentary at that time, that it is normal for everyone to show the same one, and that the permission of the Independent Television Authority must be got if a company wants to show a different one.

The ITA said yesterday that it had heard nothing from Granada, so assumed it was showing the Mosley programme. Granada pointed out that its area TV Times simply listed "The Tuesday Documentary," without specifying what it was, and said in a curt written statement that "the Mosley programme is under consideration at the moment." Sir Oswald observed that a lot of the film had been shot in Manchester, during which he was critical of Manchester's housing standards, so maybe that was the problem. Somehow, I imagine there is more to it than that.

Swing low

"HM Prison, Wakefield, require a semi-skilled labourer. Ability to erect small scaffolds will be an advantage" — advert. in Yorkshire paper.

Observer

POLITICS TO-DAY

Mr. Wilson stumbles into danger

BY DAVID WATT, Political Editor

HAROLD WILSON is in the process of being destroyed by the Common Market issue. It is a tragic spectacle in the strict sense of that term—showing, as it does, the ineluctable consequences of flaws in the hero's character and evoking feeling of pity and terror. Nemesis has not yet delivered the coup de grâce, and may not do so for many months; but her hand is at work, and the Furies have already been unleashed.

Rejoicing

The horrid tableau presented to us at the beginning of this week hardly needs to be described. The Labour Party was not simply split, but was beginning to draw its swords for internecine war. The leader had violently attacked some of his lieutenants and they had defied him. A chorus of newspapers was jeering from upstage. The Conservative enemy could be seen rejoicing in the distance.

The fact that a lot of the actors have now agreed to move into less menacing attitudes should not deceive us. The truth is that during the last few weeks Mr. Wilson lost control of events and of his party. He knows it and the party knows it—and that, for a party leader, is a blow from which it is very hard, and often impossible, to recover.

The chain of cause and effect leading to this scene has not been forged at every link by Mr. Wilson. Other people have made mistakes and miscalculations. But the basic error was Mr. Wilson's, and the failure to cope with the consequences during the last few days has been his as well.

Early this year when the Common Market issue began to loom over the horizon Mr. Wilson took a deliberate decision not to take a position until the last possible moment. This decision was partly the automatic reaction of a cautious politician, partly a temperamental aversion to facing unpleasant difficulties and partly the result of his preoccupation with the writing of his memoirs.

The simplest way of putting off a decision was to state that he would wait to see the "terms." As a delaying tactic this worked perfectly well. But in a way it worked too well because it prevented him seeing the nature of the danger which lay ahead and also led him by a natural progression of political logic into making the "terms" when they appeared the central point of his argument.

Now I am not one of those who condemn Mr. Wilson outright for failing to try to force his party into complete agreement with Market entry. I doubt if it could have been done, and in any case the attempt to d oit would have caused the kind of blood-letting which no party leader could really be expected to embark upon. His choice lay between three other possibilities.

The first of these, and, I believe, for the best, would have been to say that he remained in favour of entry to the EEC, that the terms while not as good as those which a dynamic Labour negotiator would have brought back, were just about tolerable, and that he personally would therefore vote for them. He would add that he recognised the deep feelings of a large section of the party, that he respected them and that he was sure his parliamentary colleagues would take note of them. On a matter of this importance, however, each MP must make up his own mind and that there would therefore be a free vote.

If this was considered too heroic, Mr. Wilson had another option—more devious, and, perhaps. contemptible, but nevertheless just about politically viable. This was to say that he remained strongly pro-European and that the terms would do at a pinch, but that the present Conservative Government was so iniquitous that it could not be trusted to alleviate the consequences of Market entry for the working class. Labour would hope to lead Britain into Europe at a later date but would refuse to condemn its supporters to two unnecessary years of torture. If he had adopted this position Mr. Wilson would have had to face the argument that this was Britain's last chance, but at least he would not have had to eat his own words and he would not have had to quarrel publicly with half of the shadow Cabinet.

Exposed

In the event, of course, he rejected both these possibilities and choose the third—namely a straight attack on the terms as negotiated. The reasons he did so are not hard to understand. He had, as I say, already got himself hooked on the "terms" as an issue, and in any case any option which left him openly at variance with the root and branch opposition of the mass of the party seemed to leave him dangerously exposed to a take-over bid by Mr. Callaghan. What Mr. Wilson seems to have overlooked is that in an attack on the terms he was almost bound to lay bare again his oldest and greatest weakness—his lack of credibility.

If Mr. Wilson had been a kind of Gladstone with a vast reputation (however ill-founded) for high principled consistency it would still have strained the credulity of the man in the street when he said that a Labour Government would have rejected the present terms. But Mr. Wilson is no Mr. Gladstone. He is a man who has gained a reputation over many years for his astounding ability to stand on his head with his pipe in his mouth reciting his own speeches backwards.

Some of his colleagues warned him clearly some time ago that on this occasion they were not prepared to join him in this posture and he should have realised that in the light of his past neither the public nor even the party was going to believe him rather than Mr. George Thomson, Mr. Harold Lever and Mr. Jenkins when it came to his word against theirs. Similarly with several individual items in the package. He might have realised that it might be difficult for him to take on the sugar producers and the New Zealand Government, and persuade everyone that he is a more meticulous judge of their interests than they are themselves.

Struggle

It has taken a week of fearful struggle to realise the dangers into which he has stumbled. The dangers can be rapidly summarised, from Mr. Wilson's standpoint: (a) the latest opinion polls show that by the autumn the Labour Party could be left supporting a minority in opposition to the Market; (b) last Saturday's special conference showed that there is more support for Market entry even within the Labour Party than had been supposed; (c) the pro-Marketeers have been firmer than he thought both in repudiating his claims about the terms and in their reactions to attempts to slap them down; (d) indeed, their firmness at one time became so agressive that it was beginning to show up his own loss of authority; and (e) the controversy was doing Mr. Jenkins so much harm as well that it looked like letting in Mr. Callaghan.

At the same time, Mr. Jenkins and his friends have begun to realise that they might easily overplay their hand. It was unwise of Mr. Jenkins to make such a devastating speech at the meeting of the Parliamentary Labour Party last Monday, not because he alarmed the anti-Marketeers by the force of his argument but because he humiliated Mr. Wilson and seriously undermined his authority inside the party and outside. This would not matter particularly except that this is no time for Mr. Jenkins to raise the leadership question.

If Mr. Jenkins wants to become leader, as he does, his correct strategy is to support Mr. Wilson in office until the Common Market controversy is well and truly past, for if Mr. Wilson were to fall in the next 12 months it would certainly not be Mr. Jenkins who would succeed him.

Mr. Wilson forgot this community of interest in keeping out Mr. Callaghan because he is a man who panics very easily when he sees his personal position in danger. Mr. Thomson's statement about the terms seems to have made him realise that the pro-Marketeers would carry their opposition far enough to provoke a challenge to his authority and he over-reacted with his distinctly unpleasant speech at the Saturday conference. Mr. Jenkins reacted sharply to this on Monday and thereby aroused briefly all the old persecution mania which seems to overtake Mr. Wilson at moments of crisis.

Both sides seem now to have realised that this row was bad for the party and bad for their own individual interests, but the whole affair leaves Mr. Wilson basically still more exposed. Everything he has done has been entirely in character from the start—the prevarication, the choice of the soft option, the belief that words do not really matter (except as balls to juggle with), the desperate over-reaction when the moment of reckoning co[illegible] and the tendency to spy p[illegible] and conspiracies whenever tension rises. There is also[illegible] be fair, a genuine conc[illegible] about the future of the p[illegible] and the country, but as so o[illegible] before these have been guid[illegible] lights, only fitfully seen as [illegible] follows the winding conv[illegible] tions of Mr. Wilson's path.

This demonstration of the unregenerate Harold we h[illegible] known and suspected for so l[illegible] will be confirmed next week [illegible] the publication of his mem[illegible] and the combination will [illegible] suspect, be devastatingly dar[illegible] ing to him. The Left-wing rallied to him in the last [illegible] days in order to go down [illegible] pro-Marketeers, while the Ri[illegible] wing is making its peace [illegible] him for fear of giving the g[illegible] away to Mr. Callaghan. [illegible] centre of the Parliamen[illegible] party does not want a leader [illegible] crisis just now on top of ev[illegible] thing else. And unless he [illegible] another rush of blood to [illegible] head he is probably safe, th[illegible] fore, for a while.

Distrust

Yet none of this support [illegible] any longer the slightest elem[illegible] of permanence or loyalty a[illegible] it. The Left despises him, [illegible] Right distrusts him, and [illegible] Centre feels he has lost his g[illegible] The events of the past [illegible] weeks have confirmed all t[illegible] feelings and the events of [illegible] next three months will su[illegible] increase them. I am incl[illegible] to think that they will p[illegible] too much even for his aston[illegible] ing powers of resilience [illegible] before the next election.

Labour News

Threats as NALGO talks resume

BY OUR LABOUR STAFF

NEGOTIATIONS on the 14 per cent. pay claim for 350,000 local government white-collar workers resume to-day to a background of threats from the staff of some of the more militant London boroughs.

Earlier this week, a meeting of the Southwark branch of the National and Local Government Officers' Association decided that if to-day's meeting didn't result in the current 8 per cent. offer being increased to double figures it would ask for the resignation of its negotiators.

Southwark staff favour selective strike action to support their demands and claim that staff in several other London boroughs feel the same way. In addition, NALGO members in the Manchester area have passed a motion saying they are prepared to support strike action if necessary.

Withdrawal of staff in wages and salaries departments is seen as the most effective form of industrial action by the more militant members.

The latest pay offer is worth up to just over 11 per cent. for some lower-paid staff, although those earning more than £1,220 are offered only 7 per cent.

Yesterday a substantial pay claim was lodged verbally on behalf of 770,000 local government manual workers and will be quantified at a later date, probably when a written submission is made in September.

Pay negotiations on behalf of 200,000 government industrial workers were resumed yesterday and will be continued next week.

Their union negotiators are seeking an improvement in the employers' final offer of 8 per cent., which can either be taken as a £1.50 a week increase for all or £1.60 for craftsmen and £1.45 for unskilled workers.

P.O. warning on engineers' pay claim

THE Post Office warned to-day that there would be redundancies and a worsening service if it accepted the P.O. Engineering Union's 13 per cent. pay claim for 114,000 workers. There was a limit to how far it could go, an arbitration tribunal was told in a statement.

"Sooner or later, demand for P.O. services would fall off, with the result that redundancies would occur."

The union's case to the tribunal, headed by Mr. Michael Mustill, QC, repudiates the P.O.'s warning that its claim would create "a serious situation" in the next year, when the P.O. expects a shortfall on its objectives of at least £25m.

The tribunal adjourned to consider its verdict.

Engineers go ahead with pay claim—Scanlon

BY OUR LABOUR STAFF

MR. HUGH SCANLON, president of the Amalgamated Union of Engineering Workers, yesterday confirmed that his union was bound to proceed with the substantial pay claim submitted last week on behalf of some 2.5m. engineers, despite the economic measures announced this week.

On Tuesday, at the section's weekly executive meeting, Mr. Bob Wright attempted to move a resolution to this effect, but withdrew it when the majority of executive members expressed the view that they were not required to make a decision at that time.

Mr. Scanlon said yesterday that his attention had been drawn to statements by the Press and television which were "complete and absolute distortions of the truth."

"The policy of this union is determined by the national committee, and was endorsed by the annual meeting of the Confederation of Shipbuilding and Engineering Unions. It is the responsibility of the CSEU executive and the AUEW executive to pursue this policy with all the vigour at their command and this will be done," he added.

MUSICIANS' RADIO DOUBTS

Musicians could delay the introduction of commercial radio. This was indicated when the 34,000-strong Musicians' Union held a delegate conference at Loughborough, Leicestershire, yesterday.

The union wants safeguards over the number of hours of music broadcasting, the number to be devoted to "live" performances and those to be devoted to records. Without these, the union has said it will do all it can to prevent what it calls "exploitation." of live musicians.

More Labour news on Page 12

WHITE CHEESMAN

The London Stock Exchange jobber White and Cheesman and Co., has been registered with a nominal capital of £25,000 in £1 shares. It will operate as a corporate member of the SE from Monday.

SURVEYS NEXT WEEK

Birmingham	Monday, July 26
Packaging	Tuesday, July 27
Peru	Wednesday, July 28

Monetary compromise sought in time for autumn IMF meeting

BY PAUL LEWIS — PARIS, July 22.

THE PACE of monetary diplomacy has begun to quicken as a last attempt gets underway to hammer out a compromise on exchange rate flexibility in time for September's Ministerial meeting of the International Monetary Fund in Washington.

Following last Tuesday's discussions here in the Common Market monetary committee, the deputies of the Group of Ten may take up the flexibility issue again in early September when there is also likely to be another meeting of the OECD's Working Party Three which deals with payments problems.

This will probably be followed by a meeting of Common Market Finance Ministers in Paris around September 20 and the Group of Ten is likely to get together at Ministerial level in Washington on the eve of the IMF meeting, which begins on September 27, to make a final assessment of the prospects for agreement. The British Chancellor will be arriving direct from Nassau where he is to attend the usual pre-IMF gathering of Commonwealth Finance Ministers on September 23 and 24.

At present, the signs are that the U.S. is hoping to secure at least an agreement of principle on the need to widen currency support margins, perhaps from their present limit of 1 per cent. on each side of the official parity to about 2.5 per cent. In addition to relieving pressure on the dollar by allowing strong currencies to appreciate against it, a more flexible system of exchange rates could be used to compensate for variations in national interest rates of the kind that sparked off this year's May crisis.

The principal obstacle to an agreement along these lines remains the French Government which is reluctant to see the surplus countries adjust their parities against the dollar. It fears that any tampering with the fixed rate system established at Bretton Woods might undermine the Common Market agricultural policy.

But while President Pompidou has refused categorically to revalue the franc in response to speculation, he has been careful not to close the door completely to some widening in exchange rate margins between the Six as a bloc and the rest of the world. In return, the French Government now seems interested in obtaining four main concessions from its Common Market partners and the U.S.

- The re-establishment of the fixed parity for the West German Mark to safeguard the common farm policy and the Community's monetary union plan.
- Agreement to press on with the narrowing of Community margins, suspended when the Germans and the Dutch decided to float.
- Agreement that the U.S. should finance its deficit in future out of reserves, as the managing director of the IMF proposed at last year's meeting in Copenhagen. This could take the form of redeeming dollars with Special Drawing Rights and gold or drawing on its conditional borrowing rights with the IMF.
- Agreement that the creation of further world liquidity through the SDR scheme should be decided in the light of the American payments picture, perhaps with some of the 1973 issue being used to fund outstanding dollar balances.

If the Germans have not returned to a fixed parity by September, it is possible that the IMF meeting will simply agree on the general desirability of some widening in support margins, while postponing implementation until the Common Market countries have settled their internal differences. In any event, wider margins would require a formal amendment to the Fund articles which could take up to a year to be ratified by national parliaments.

Brewers break May record

BY KENNETH GOODING

THE BREWING industry continued to set production records in May this year. The month saw 2,982,666 bulk barrels rolled out by the brewers, the best figure for May for at least 50 years.

Production was 4.5 per cent. ahead of the 2,852,371 barrels recorded in May, 1970.

According to statistics put together by the Brewers Society, so far in 1971 the January-to-May total at 13,491,633 barrels is an impressive 6.17 per cent. up on the 12,707,873 recorded for the same period in 1970—a year which went on to produce the best annual figure for 50 years.

The interesting statistics are still to come, however, for the major brewers without exception have publicly given warnings that trade in June was well below that for the same month last year.

This seems to prove again that it is the weather more than price which affects beer sales because the public shrugged off the increases which came into effect at the end of last year and yet drank a lot less beer during the relatively cold month of June.

With a 6.17 per cent. gap between production figures this year and last to be bridged, it is unlikely that the June shortfall will put too much of a brake on what looks like becoming another record year for the brewers.

Saleroom

A £25,000 emerald

At Sotheby's a jewel sale which realised £97,832, Cohen gave £25,000 for an Indian carved emerald weighing 369.24 carats.

A jade necklace went to Seymour for £4,400, a pair of emerald and diamond pendant ear-rings to Matthews and an antique emerald and diamond collar to Drager, each for £3,800 and a diamond brooch in the form of a four-loop bow to Seymour for £3,000.

Sotheby's silver sale realised £26,191. Swonnell gave £1,200 for a set of four table candlesticks (89¾ ounces) by William Williamson, Dublin, c. 1740, Bloomstein £1,150 for a pair of Campana-shaped wine coolers (187 ounces) by Mathew Boulton, 1822, and Davidson £780 for a 20-ounce Swiss Teapot, c. 1745.

Sotheby's sale of etchings, lithographs and prints realised £18,306. W. Weston Gallery gave £880 for The Reapers, an engraving by George Stubbs, Von der Becke £680 for 16 engravings of the ports of France by C. N. Cochin after Joseph Vernet, and F. Sabin £600 for 12 coloured engravings of the 12 months of flowers published by Sayer King and Overton.

An afternoon sale of works by Dame Laura Knight at Sotheby's realised £14,192. Mrs. Edwards bought Prince Monolulu at Epsom, McConnell Mason A Gray Day at Epsom and Graham Morning Exercise, each for £400.

At Sotheby's, Chancery Lane, in the first session of a two-day sale of printed books which totalled £5,064, Sawyer paid £175 for a book of drawings including an original drawing by Sir William Russell Flint.

Before Christie's sale of furniture belonging to the Hove Corporation started, bidders were warned by National Heritage, the museums action group, that the legality of the sale was being questioned on the grounds that objects bequeathed to Hove Museum and Art Gallery were being sold. On opening the sale, the auctioneer said: "Approaches by various parties were received by Christie's yesterday, and we have explained that the only event of which Christie's can take notice is the service of an injunction restraining this sale. No such injunction has been served. We believe there is no statutory authority impeding this sale, and our solicitors have advised us that they are aware of no reason why purchasers should not acquire good title in the normal way."

The amount realised was £14,555. Woods Wilson paid 820 gns. for a Japanese lacquer and porcelain mounted cabinet and stand, Cross 490 gns. for a Regency rosewood writing table, and Stewart 400 gns. for a pair of Cary's celestial and terrestrial globes.

At Bonham's £9,502 picture sale, The Coronation of Franz I in Frankfurt Cathedral in the style of Longhi went for £380 to Ledbury Galleries and A Woman at her Toilet attributed to G. Terburg, to Kasher for £300. At their £8,271 furniture sale, an antique Dutch marquetry bureau bookcase went to Ward for £790.

£10m. Swan Hunter contract

BY JAMES McDONALD, SHIPPING CORRESPONDENT

SMITH'S DOCK COMPANY—a member of the Swan Hunter north-east coast shipyard group—has won a contract worth about £10m. to build two 12,000-ton cellular container ships for Manchester Liners, part of the Furness Withy shipping group.

The orders are complete with containers and the ships are scheduled for delivery about mid-1975 when they will be put into service on Manchester Liners' container service between Manchester and Montreal.

In design they are similar to the three container ships already built by the Swan Hunter group for Manchester Liners for its transatlantic container service. Each will be able to carry the equivalent of 600 ISO-standard 20-foot containers, with allowance for 40-foot containers.

They will be powered by Crossley Pielstick-type diesel engines giving a service spe[illegible] 20 knots. This contract r[illegible] the total value of ships on o[illegible] at Smith's Dock to over £40m[illegible]

Apart from fitting-out wor[illegible] the first of two 10,500-ton c[illegible] vessels for the Finland St[illegible] ship Company, the yard is [illegible] busy on the first of [illegible] refrigerated cargo ships for Island Fruit Reefers Ship Company, each of 7,600 d.w [illegible] and valued together at £24m[illegible]

COMPANY NEWS + COMMENT

Peak £2.16m. from Vaux: dividend lifted

WITH PROFITS reaching a peak of £2.16m., Vaux and Associated Breweries is stepping up its dividend by 1½ per cent. to 15 per cent. for the year ended April 30, 1971: the final is 11 per cent. against 9½ per cent.

The profit represents an increase of £318,362 on 1969-70, and follows a half-time advance of £176,000 to £1.27m.

	1970-71	1969-70
	£	£
Turnover	26,600,000	25,050,000
Trading profit	2,776,411	2,486,513
Finance charges	617,788	626,552
Profit	2,158,623	1,840,261
Corporation tax	*795,996	770,257
After profit	1,362,627	1,070,004
Minorities	4,760	6,692
Attributable	1,357,867	1,063,312
Preference dividends	182,573	183,430
Earned for Ordinary	1,175,294	879,882
Ordinary dividends	729,120	656,208
Retained	446,174	223,674

* Less £44,000 prior year release due to rate reduction.

Capital expenditure during 1970-71 includes £235,000 spent on improving hotels, £331,000 on building six new public houses and a further £160,000 on modernising existing houses. Commitments include £1,836,000 for hotel development.

It is planned to build a new hotel on Teesside and one in Edinburgh. Commitments also include £810,000 for 12 new public houses, nine of which will be in Scotland.

Chairman Mr. D. Nicholson says capital expenditure continues to rise substantially and arrangements are now agreed to raise brewery wages and staff salaries by an amount which will equal about 50p per barrel of output.

In view of general employment problems throughout the country the chairman feels that the absentee figure of employees is of interest, which including all causes amounts to less than 5 per cent. throughout the year.

The group's principal trading area is one-third Scotland, two-thirds North of England where unemployment figures remain high he points out.

● comment

Vaux has had a solid second half with profits rising 19 per cent. pre-tax against 16 per cent. midway through 1970-71, and the key is the months of the December price rise (roughly 1d. then per pint). Earnings are 23.2p a share for a p/e of 15.4—rising to 16.7 fully diluted—at 360p, up 13p last night for a rise this year of 40 per cent. against a gain by the sector since January of 50 per cent. That the shares have under-performed the rest of the brewing field is due to Vaux's two regional problems—stiff competition (especially in the trade, perhaps 45 per cent. of total sales) and unemployment in Scotland and the North East of England. The recent wage award could mean an extra £250,000 of costs to the group but less than one-fifth of a penny on a pint would cover that. Vaux also reckons that the low price of its beers leaves fair scope for upgrading before consumer resistance levels *are reached. The hard* push into hotels, though producing immediate fund-raising problems, should be worthwhile in the longer term, and against a brewers mean p/e of 18.8 the shares look fairly valued.

INDEX TO COMPANY HIGHLIGHTS

Company	Page	Col.	Company	Page	Col.
Amalgamated Power	20	5	Metal Box	22	4
Atlantic Assets	20	8	Mt. Charlotte	21	4
Butterfield Harvey	20	6	Neepsend Steel	20	4
Caffyns	22	4	Palace & Derby	22	4
Davis (Godfrey)	20	5	Powell Duffryn	21	1
Derby Trust	22	5	Principality Bldg.	22	5
Dixon (Peter)	22	7	Scottish Agricultural	20	1
Falkland Islands	22	3	Sealed Motor	20	4
Holliday Group	20	2	Standard Trust	20	5
Howden Group	20	7	Tate & Lyle	22	1
Kent (George)	22	6	Thorn Electrical	21	3
Ladies Pride	21	2	Vaux Breweries	20	1
Leyland Paint	20	3	Westforth Electrical	20	4
Mears Bros.	22	5	Wheatsheaf	22	6

Scottish Agricultural

DIRECTORS of Scottish Agricultural Industries are increasing the interim dividend from 6 per cent. to 7 per cent. for the year to September 30, 1971. The previous final was 15 per cent.

For the eight months to May 31, 1971, sales rose from £16.7m. to £17.8m. and pre-tax profits amounted to £1m., against £825,000 in the corresponding period.

For the full year to September 30, 1970, pre-tax profits were £1.62m. from sales of £24.71m.

● comment

Some upswing in Scottish Agricultural's profits was a strong possibility following the 10 per cent. increase in fertiliser prices last January. Nevertheless the 21 per cent. jump in pre-tax profits after 8 months appears to have outstripped the market's expectations judging by the 10p rise to 210p in the share price. What extra SAI probably managed was due to its efforts in keeping down overheads together with a higher degree of efficiency at the plants. Since the end of the last period fertiliser prices have been increased by a further 5 per cent. but whether this means that SAI can maintain the trend of the first eight months remains to be seen. over. the 9.2 per tdtrippastdesim However. the 9.2 p/e. on the last 12 months trading, is taking no chances.

Holliday Group pays 6½% extra

REPORTING record profits of £220,047 for the year to April 30, 1971, against £184,363 previously, the directors of the Holliday Group of electrical installation engineers and contractors, are *raising the total dividend from* 23½ per cent. to 30 per cent. with a 23½ per cent. final.

At mid-way, when pre-tax profit was up from £36,179 to £46,058, the Board said it was hoping for an improvement in the year's total.

Turnover for the year improved to £4,543,994, from £3,671,252. Tax absorbed £84,063 (£79,543), leaving a net profit of £135,984, against £104,820.

Net earnings per share are shown to have risen to 6.80p from 5.24p.

Directors say the improvement in earnings in the latter part of the last year was due mainly to an increase in industrial activity and this trend has continued into the current year. The group order intake to date is showing an improvement over the same period last year, which "augurs well" for the future, members are told.

	1970-71	1969-70
	£	£
Turnover	4,543,994	3,671,252
Profit	220,047	184,363
Taxation	84,063	79,543
Net profit	135,984	104,820
Dividends	60,000	47,000
Unappropriated	75,984	57,820

● comment

A 19 per cent. rise in Holliday's pre-tax profits owes a lot to a higher content of shorter term work following a swing to more industrial electrical installation. This side now accounts for 46 per cent. of turnover compared with between 30 and 35 per cent. a year ago. Despite the swing, though, margins still dipped slightly, partially reflecting the effects of inflation on long-term contracts but mainly due to the short notice of increased Training Board levies coinciding with cuts in grants. As a result of this latter some 10 per cent. was knocked off profits. But on the assumption that this is a once and for all charge, 1971-72 gets off to a good start. What is more, orders are currently running some 30 per cent. in excess of the comparable figure so given that the slide in margins is checked another successful year is on the cards. The shares, though, on a p/e of 5.1 at 36p appear to be missing this point.

Leyland Paint advance

FIRST HALF profits showing a sharp recovery from £48,000 to £140,000 are turned in by Leyland Paint and Wallpaper; the interim dividend is raised from 2½ per cent. to 3 per cent.—total for the year ended September 30, 1970, was 8½ per cent. paid from profits of £310,085.

Turnover in the six months increased from £2,541,000 to £3,062,000—this is due in part to an increase in prices of wallpaper and paint and in part to the *opening of new direct retail and* trade outlets, state the directors.

Reorganisation of the distribution system is nearing completion and this is contributing significantly to the containment of unit costs in relation to increasing turnover.

Emphasis has been placed in recent years in developing direct retail and trade outlets. The cash business done through these has materially improved cash flow, directors state.

They consider significant further economies will be achieved in the unit cost of production and sales if present sales trend continues. Sales for the three *months to June 30, 1971,* show an encouraging improvement over the same 1970 period.

In view of the higher first-half sales and the effect of the postal strike on the companies credit control systems the directors considered it prudent to increase the general provision against doubtful debts by £30,000 in the half-year.

	Half year 1970-71	Half year 1969-70
	£000	£000
Sales		
Home trade	2,722	2,261
Export	340	280
Total	3,062	2,541
Trading profit	185	95
Depreciation	43	47
Profit	140	48
Exceptional expenditure	—	16
Net profit	140	32

● comment

Compared to the poor first-half of 1969-70 (when the sustained cold weather depressed sales) Leyland Paint has nearly trebled pre-tax profits and lifted margins from 1.9 per cent. to 4.6 per cent. Although price increases account for a good part of the 20 per cent. jump in sales (no more are planned until the autumn), there has also been a good increase in volume following the modernisation and upgrading of over half the group's outlets. The remaining outlets are unsuitable for such treatment, and the emphasis will now be on opening new units (four have already been opened this year). So with an excellent summer (so far, at any rate) following the mild winter to stimulate home sales, the benefits of the centralised distribution network and expanding exports, the prospects look good. On latest 12 months' earnings of 5p a share (against 3.75p in 1969-70), the shares at 53p on a p/e of 10.6 seem on the low side, especially as main boost will probably come in the second six months.

Neepsend Steel profits up

DESPITE DIFFICULT trading contions towards the end of the year ended March 31, 1971, the Board of Neepsend Steel and Tool reports an increase in profits for the full year. At the pre-tax level, the figure is £1,361,132 against £1,233,270 in 1969-70.

A final dividend of 6.25p per share maintains the total at 8.75p per 25p share. Net earnings per share have increased from 10.38p to 12.81p.

This year's figure for trading profits has been reduced by £15,000 set aside for outstanding debts in respect of Rolls-Royce.

Control of stocks and debtors has resulted in a £640,000 reduction in these items to £6,150,000—this represents 11 per cent. in relation to sales. At the same time the amount due to creditors has been cut by £300,000.

In view of this, the directors are confident that the group is now in a much better position to take advantage of the expected improvement in the economy following the Government's reflationary measures.

	1970-71	1969-71
	£	£
Trading profits	1,298,465	1,164,481
Invest., etc., income	63,329	69,671
Debenture interest	882	882
Profits before tax	1,361,132	1,233,270
Tax	496,822	539,900
To deferred tax	7,893	—
Net profit	856,417	693,370
From inv. grants res.	14,382	11,980
Available	870,799	705,350
Dividends	597,677	597,677
Retained	273,122	107,673
Forward	1,681,659	1,350,631

● comment

Neepsend's 10½ per cent. rise in annual pre-tax profits has continued the climb back to the peak level of 1965-66 but the pace has slackened considerably since the 30 per cent. growth of 1969-70. Demand began to fall off in the second six months and most of the second half growth seems to have come from the benefits of the current rationalisation programme, which in the last 18 months has reduced the number of factories in the group from 40 to 12. The 1971-72 prospects are overshadowed by the current steel downturn and although the group should now be better equipped to meet any pick-up, unless there is one quite soon the recovery could come to a standstill. So, the caution of the shares at 119p on a p/e of 9.0 seems well justified.

Chairman Mr. Michael Montague told yesterday's annual meeting of Valor Company that results for the first quarter were up to budget and "if the present trend continues it will be necessary to further increase the forecast profit" of £600,000 for the current year.

DIVIDENDS ANNOUNCED

	Current payment %	Date of payment	Corresponding div. %	Total for year %	Total last year %
Atlantic Assets	†0.625p	—	0.625p	0.625p	0.625p
Butterfield-Harvey	4½	Aug. 27	—	(c)7½	—
Cardinal Invest. 2nd int.	7.92	Sept. 1	—	(e)—	19
Colonial Securities ... int.	12	Aug. 19	12	—	(d)28
Derby Trust int.	4.93	Aug. 31	4.86	—	10.81
Wm. E. Dunn int.	2½	Aug. 26	2½	—	2½
English Association int.	7½%	Sept. 6	7½	—	22½
Glass Glover int.	15	Oct. 1	15	—	20
Governments Stock int.	7	Aug. 17	7	—	23
Hammill Brick int.	9	Aug. 18	7½	—	15½
Hine Parker	Nil	—	9	Nil	9
Holliday Group	23½	Oct. 6	17½	30	23½
Howden	8	—	15	16	25
Industrial Midland	nil	—	nil	3½	nil
"Investing in Success" int	†0.75p	Sept. 30	0.75p	—	1.75p
George Kent	Nil	—	6	3	11
Ladies Pride O'wear int.	5	Sept. 16	5	—	22½
Leyland Paint int.	3	Aug. 28	2½	—	8½
Mears Bros. int.	5	Aug. 12	5	—	12½
Neepsend Tool	6.25p†	—	6.25p	8.75p	8.75p
New Cnt. Witwatersrand	†7½cts	Sept. 10	6½cts	7½cts	6½cts
New Equipment int.	5	Aug. 27	5	—	12½
Oceana Laundry	5	Oct. 1	5	5	5
Omnium Trust int.	7	Aug. 17	7	—	22
Powell Duffryn	10	Sept. 9	9	13	12
Scottish Agr. Inds. int.	7	Aug. 18	6	—	15
Second British Assets int.	†2.1p	Sept. 6	2.08	—	5.08p
Standard Trust int.	†1.75p	Sept. 3	1.75p	—	4.25p
Tanjong Tin Dredging int.	10	Sept. 10	8½	—	37½
Thorn Electrical	15	Sept. 10	12½	24	21½
Vaux and Associated	11	—	9½	15	13½
W. Cumberland Silk	4	—	8	9	16
Westforth Elec.	14	—	10	20	*16

* Equivalent after allowing for scrip issue. † Amount per share. (a) Tax free. (b) On capital increased by rights and/or acquisition issues. (c) Against at least 6 per cent. forecast in August, 1970, offer document. (d) For 11 months. (e) As forecast under merger; making 9½ per cent. to date.

4% more by Westforth Electrical

A FINAL dividend, increased from 10 per cent. to 14 per cent. by Westforth Electrical and Automation effectively raises the total from 16 per cent. to 20 per cent. for the year to March 31, 1971.

Pre-tax profits fell to £596,590 against £632,931 after being down from £339,000 to £144,000 at the half-way.

After a lighter tax charge and minorities, net attributable profit for the year was £325,478 against £254,714 previously.

	1970-71	1969-70
	£	£
Profit	596,590	632,931
Taxation	236,564	293,338
Net profit	360,026	339,593
Minorities	34,548	84,879
Attributable	325,478	254,714
Dividends	194,532	116,980
Retained	130,946	137,734

Directors say the results reflect continued growth in profits for Endura Lamps, a marked recovery in the second half for Westool and a satisfactory result from Southern and Redfern.

Prospects for the current year based on the first-quarter's *performance indicate a continuation* of these trends, they add.

The group is a subsidiary of Keyser Ullmann Holdings.

● comment

As expected Westforth Electrical staged a strong recovery in the second half of 1970-71 with pre-tax profits of £453,000 against £294,000 though the full-year total is still 6 per cent. down and 18 per cent. below the level forecast for 1969-1970. Anticipating this turnround the shares have risen from a low of 55p to 90½p last night and on fully diluted earnings of 8.2p per share the p/e is 10.8. The current year will have the full benefits of the recovery at Westool and this *side should anyway be helped by* an upturn in the economy generally, though any improvement will come through to earnings only in part since Westool is 50 per cent. owned. The Endura division is also expected to continue its current advance with electric light bulbs doing particularly well. Overall the shares could look undervalued if these hopes prove justified.

Sealed Motor Italian deal

Mr. P. Pensabene, *chairman of* Sealed Motor Construction told holders at the annual meeting he was confident that both the half-year results and those for the year would again show a satisfactory increase in profits.

"Sales are running ahead of forecast, but we are still experiencing pressure on our margins," he said.

He also reported the company had completed an agreement with Lowara Pompe of Vicenza, Italy, for the formation of a joint concern to manufacture some of its products in Italy. Stated Mr. Pensabene "This is a most important advance in our international arrangements, and whether or not this country joins the EEC, your company will have an early foothold in the market. We shall own 70 per cent. of the new company, and we are carrying out the investment from our own resources. In a few years we shall be receiving a useful contribution towards our profits. It is anticipated that within two years the new company will be manufacturing some 200,000 circulators a year, to supply the Italian market and other European community countries."

Meeting, page 9

Godfrey Davis ahead

At yesterday's annual meeting of Godfrey Davis, the chairman, Mr. Cecil Redfern, recalled his statement with the report and accounts, in which he indicated that while the rental and leasing division had made a promising start to the current year, profits from the Ford main dealerships for the first two months had been adversely affected by the strike at Ford Motor.

He was, therefore, "pleased to tell shareholders that unaudited profits of the group based on the first three months trading of the current financial year were in excess of those for the corresponding period of last year."

Amalgamated Power

At the annual meeting of Amalgamated Power Engineering, chairman, Mr. R. F. Batty, said: "On the basis of preliminary results, profits from U.K. operations to the end of May of this year were identical with last year at the same time, in spite of the strike at the *Birmingham division* at the beginning of the year.

"I would, therefore, expect our half-year profits for U.K. operations to be no less than last year and our overall results for the half-year to be slightly improved compared with a year ago.

"I have already intimated in my statement issued with the accounts that an unduly high proportion of factory output is for delivery in the latter part of the year—the pattern of 1970 is likely, therefore, to be repeated in 1971," the chairman said.

Standard Trust holds interim

Largely due to fluctuations in dividend payment dates, gross revenue of Standard Trust for the half-year to June 30, 1971, has declined from £765,852 to £726,856.

After debenture interest, tax and expenses, net revenue came to £380,443 (£386,843). The interim dividend is held at 1.75p—last year's total was 4.25p.

Net asset value of Ordinary shares, ex dividend, after prior charges at par, and including, where applicable, the full London dollar premium was 144½p (123p at December 31).

This excludes the 25 per cent. of dollar premium which would be lost on the sale of foreign currency securities and would have amounted to 1.69p per share (1.53p) and estimated capital gains tax on unrealised gains less losses 16p (10p).

Butterfield Harvey tops forecast

IN ITS FIRST year since the merger Butterfield—Harvey has exceeded both the profit and *dividend forecast made in the August* 1970 offer document.

Group profits, before tax, at £924,000 (for the year ended April 2 1971) compares with an estimate of £861,000 and is after charging notional interest of £94,000 to represent back-dating of the consideration to the effective merger date.

A final dividend of 4½ per cent. makes a total of 7½ per cent. against at least 6 per cent. indicated.

Both companies—W. P. Butterfield and G. A. Harvey and Co. (London)—exceeded their forecasts and improved profits compared with 1969-70. Group sales of £21.6m. were 20 per cent. above the combined figure for the previous year.

Earnings per 25p Ordinary share are shown at 3.76p for 1970-71. In the following table all figures for 1969-70 relate to W. P. Butterfield only—earnings were 1.89p.

	1970-71	1969-70
	£000	£000
Sales	21,625	12,908
Trading profit	1,290	578
Interest charges	366	214
Profit	924	364
Taxation	376	178
Net profit	548	186
Minority loss	4	*1
Attributable	552	185
Dividends	282	149
Retained	270	36

* Debit.

● comment

Butterfield-Harvey's success in beating its merger forecast by 7 per cent. is due to a combination of higher prices and larger volume sales as well as a better utilisation of the enlarged capacity. With turnover in the first quarter of 1971-72 up to scratch, the company hopes to maintain past performance but is not taking any chances. To offset the dull home market, considerable effort is being concentrated on exports (which in 1970-71 made up 10 per cent. of sales). However, profit margins would be badly hit if steel prices are increased yet again. All sections use it as a basic raw material, but hope is pinned on the Chancellor's promise to contain price rises in nationalised industries. On a p/e of 10 at 38p (up by nearly 25 per cent. on the month) the shares still look on the low side, especially as the downside potential is limited by the (historical) net asset backing of 62p a share.

ISSUE NEWS

Wright-Scriven placing

Arrangements are in hand for a placing of 1.35m. shares in Wright-Scriven. The company was formerly Scriven-Crosthwaite.

Last January the company agreed to acquire from Bank Bridge Securities the issued capital of the Wright Group in consideration for shares in Scriven-Crosthwaite. As a result of this deal Bank Bridge acquired a controlling holding in S-C.

Bank Bridge is the vendor of the shares being placed but it will still hold some 60 per cent. of the equity on completion.

Brokers to the placing are Fielding Newson-Smith and Co. in London and Halliday Simpson and Co. in Manchester.

Full details will be published on Monday.

THANET OFFER

Underwriting has been completed for an issue of *600,000* Ordinary 50p shares at 66p a share and 300,000 warrants at 28p a share in Thanet Investment Trust an invesment company managed by merchant banker, Leopold Joseph and Son.

Brokers to the issue are Joseph Sebag and co. and Norris Oakley Richardson and Glover.

The prospectus is being published on July 26 and lists open on July 29.

SPANISH CREDIT

Chase Manhattan Bank has completed arrangements for a $100m. five-year credit facility for Autopistas Concesionaria Espanola.

OFFICIAL QUOTATIONS

Permission to deal in and quotation for the undermentioned security has been granted: AMALGAMATED DISTILLED PRODUCTS. After allotment. 43,608 *Ordinary shares of 10p each; fully paid.*

Howden recovery but pays less

AS FORESHADOWED earlier this year, the Howden Group has staged a sharp recovery in the year ended April 3, 1971, with profits before tax, ignoring exceptional items, increasing from *£446,468 to £930,256.*

The final dividend has been reduced from 15 per cent. to 8 per cent., lowering the total, to make 16 per cent., compared with 25 per cent., as directors have decided that the current profits base does not support a maintained dividend level. But they intend to restore the payment "*in* line with the anticipated future recovery in profits."

After allowing for lower tax—due to losses brought forward on overseas subsidiaries—increased minorities and an exceptional loss of £69,500 (£152,311 gain), the net attributable balance emerges at £465,706, against £642,778.

	1970-71	1969-70
	£	£
Trading profit	1,456,126	1,063,565
Net interest payable	525,870	423,224
Exceptional site costs	—	133,893
Profit before tax	930,256	446,468
Work-in-progress revaluation*	100,000	241,692
Exceptl. revenue items†	71,827	—
Escalation claims	—	477,425
Associates profit	27,394	119,395
Leaving	986,023	1,147,190
Taxation	69,277	356,553
Net profit	916,746	790,637
Exceptional loss§	69,500	¶152,311
Minorities	381,540	300,170
Attributable	465,706	642,778
Dividends	419,000	632,344
Retained	46,706	10,434

* Following merger was decided to achieve more uniformity in accounting and costing procedures and valuation of work-in-progress. Because of re-organisation of operating units, part of revaluation was not effected until May 1, 1970, resulting in an increase in valuation of work in progress at that date of £100,000. † Net provision for a contingency relative to contracts completed in prior years. ‡ Loss. § Loss arising from closing down of manufacturing activity of previous steel equipment division in Glasgow. ¶ Gain.

The group specialises in the design and manufacture of air and gas handling plant.

● comment

Howden always had enough quantifiable loss elimination areas to expect at least this scale of recovery: there is, apparently, plenty of scope left for improvement with the heavy engineering *side—contributing the bulk of* sales—still finishing contracts that were taken in the early 1960s. Orders are well up, with useful new nuclear power work, strength overseas and an improving trend in compressors. So there may still be scope in a *market capitalisation of £6.2m.*, even though the shares have already more than doubled from this year's low.

Atlantic Assets holds dividends

Directors of Atlantic Assets Trust are recommending an unchanged dividend of 0.625p per 25p Ordinary share for the year to June 30, 1971.

Total income amounted to £601,000 against £596,000 previously, comprising franked £325,000 (£269,000) and unfranked £276,000 (£327,000).

To be deducted are interest and expenses, £271,000 (£269,000); tax—after DTR—£30,000 (£20,000) and minorities, £53,000 (same).

Total assets were £26,083,000 (£20,101,000) and net assets available for Ordinary holders after deducting prior charges at par and assuming full conversion of Edward Bates Convertible Loan stock amounted to £17,499,000 (£11,934,000), equivalent per share to 78p (53p).

A subsidiary, Edward Bates and Sons (Holdings), carries on business as a merchant bank. Because of the differing nature of the business the accounts of Bates have not been consolidated. Edward Bates has, however, paid to Atlantic a dividend of £70,000 gross in respect of the year to March 31, 1971.

Approximately 50 per cent. of the valuation is in dollar stocks including the applicable amount of the full London dollar premium: 25 per cent. of this amount is liable to surrender on realisation and would reduce the amount available per Ordinary share by 2p.

An unsecured loan of $1m. has been negotiated for an initial period of three months to September *21, 1971, at a rate of 8 per* cent. per annum.

Powell Duffryn 1% extra

REPORTING AN IMPROVEMENT of £184,000 to £2,163,000 in net attributable profits, after tax and minorities, for the year to March 31, 1971, the directors of Powell Duffryn are raising the dividend total by 1 per cent. to 13 per cent., with a 10 per cent. final recommendation.

The Group trading profit at £4,942,000 was £142,000 higher than the previous year after charging Hy-Mac's trading loss of £1.64m. *(£323,000)*.

	1970-71 £000	1969-70 £000
Operating profit and trade investment income	7,387	6,838
Depreciation	3,146	2,762
Trading profit	4,241	4,076
Share 50% owned assocs.	701	724
Making	4,942	4,800
Interest paid, less received	1,099*	925
Profit	3,843	3,875
Taxation	*1,651	1,873
Profit after tax	2,192	2,002
Minorities	29	23
Net balance	2,163	1,979
Exceptional credits	1,049	†394
Available	3,212	1,585
Preference dividends	66	80
Ordinary interim	378	369
Final proposed	1,259	1,111

*Including on share of associates' profits. † Debits.

Sir Alec Ogilvie, chairman, points out that results would have been very *substantially better but* for the trading loss of Hy-Mac. That company's troubles, as known, were problems of management and administration, particularly of stock and financial control, following its "too rapid" development in previous years.

Sir Alec says that in their *determination to put Hy-Mac right, the* directors have carried out a complete reorganisation in a year when there was a severe recession in the construction equipment industry generally. "Inevitably, the process has been painful and costly."

But, a result, "we now have what is virtually a new company, with new top management and a sizeable reduction in the staff and labour force. The Hy-Mac is a *first-class excavator with a proud* reputation and, given a reasonable upturn in the market, we are confidence that the company will become a contributor to group profits once again," he declares.

The rest of the group produced profits exceeding the previous year by over £1.25m.—an increase of 25 per cent. "Particularly" good good results were achieved by the shipping, fuel distribution, *timber and quarries divisions.* There was continued growth from Hamworthy Engineering, the overseas trading division, and from the pollution control division.

"For the current year, although trading conditions remain difficult and forecasting is never easy, the mood in Powell Duffryn *is one of 'reasoned optimism,'*" Sir Alec concludes.

The credit for exceptional items consists mainly of net surpluses on disposal *of assets—including the* sale of the leasehold premises at Eyward Street, E.C.3—less a provision for special obsolescence of Hy-Mac stock in trade. The sale and leaseback of the groups headquarters at 8 Great Tower Street, E.C.3, was not completed until May, 1971, and the net surplus on disposal will be included in results for the year 1971-72.

Meeting, September 1, and report and accounts posted on or about August 3.

See Lex

Thorn £6m. profit upsurge—paying 2½% more

IN A "very satisfactory year" Thorn Electrical Industries has pushed up its profit by £6.04m. to £37.21m. And for the future the *directors are looking to continued* growth.

The dividend is raised 2½ per cent. to 24 per cent., with a final of 15 *per cent.* This is equal to 6p (5.375p) from stated earnings up from 13.9p to 17.1p.

At half-way, the profit had shown an advance of £2.71m. to £15.11m.

	1970-71 £000	1969-70 £000
Turnover	343,000	294,000
Trading profit	72,503	59,040
Depreciation	31,085	24,229
Interest paid	4,203	3,642
Profit before tax	37,212	31,169
Taxation	14,310	12,696
Attributable	22,157	17,809
Dividend	7,783	6,841

The high level of output of monochrome and colour television receivers has made a substantial contribution to the increase in profits but domestic appliances, audio products and lighting products also produced satisfactory increases.

As expected, television rental profits showed only a small improvement because of the substantial depreciation and installation charges incurred with the build-up of colour rental.

The directors feel it is necessary to take a cautious view of short-term trading prospects as so far there has been insufficient *time to assess the results of the* Chancellor's reflationary measures and there is no evidence yet that inflation has been brought under control.

However, with the initial build-up of colour television completed, profits from colour rental will begin to show in 1971-72 and this, supported by the solid profit base of the wide range of consumer and capital goods, should provide continued growth.

Meeting, August 27.

See Lex

Ladies Pride profit up

Profits of Ladies Pride Outerwear for the six months to May 31, 1971, increased from £114,771 to £174,948 before tax of £72,000 (£51,500). Profits for the previous year were £265,552.

A maintained interim dividend *of 5 per cent. is declared.* The total for 1969-70 was 22½ per cent.

Output in all sections is running *at a high level and production for the remainder of the year is* fully sold to home and overseas customers, the directors say.

The upward trend in profits should continue, they add.

● comment

Ladies Pride is back to profits growth, and if the six months *figures are any guide it is bent on* making up for time lost in the two years 1968-70. Pre-tax, we have a rise of 52 per cent., and since three-quarters of profits stem from dresses and suits that implies quite a jump in margins for turnover here rose only a fifth. The rest of LP is basically jersey *fabric and the sales experience in* that division was 50 per cent. growth. Obviously the more buoyant trading conditions have eased the pressure on overheads but the major boost to margins came from price rises—on average 2½ per cent. for the period. All LP has to do now is match production to forward orders. If that can be achieved without recourse to outside contracting then £350,000 pre-tax for 1970-71 looks a *fair* bet, and the resulting 8.1 p/e at 76p on the low side, given LP's cushion against the more volatile fashion trends through a manufacturing bias towards more discreet wear.

Mt. Charlotte growth

At the annual meeting of Mount Charlotte Investments, chairman, Mr. P. Williams reiterated that profits in the current year are expected to show a further "reasonable" increase.

Mr. Williams pointed out that the postal strike had affected bookings—although turnover lost might be recovered later in the *year. Because of seasonal influences* the six-monthly figures, which will be produced for the first time this year, could also be misleading.

The go-ahead on the proposed 125-bedroomed hotel to be built in the Avon Gorge at Bristol currently awaits the decision of the Minister for the Environment following the public local inquiry.

Concluding, Mr. Williams said the capital reorganisation in January, the "rights" issue in April, and the current increase in authorised capital could only be a prelude to expansion and his view was that it would take place on three fronts: the acquisition of further substantial city centre hotels, the acquisition of restaur*ants or a restaurant chain and* last, the possibility of expansion abroad.

BIDS AND DEALS

British Vita raises offer for Miles Redfern

BRITISH VITA's efforts to gain control of Miles Redfern were stepped up yesterday with an increased offer worth £2.3m. This is around £850,000 more than the original bid—basing the two sets of terms on current prices—and raises the per share value from 63p to nearly 101p.

Even so, this still does not satisfy Redfern, whose directors, together with members of the Miles family, control 37 per cent. of the equity. Mr. A. W. A Newman, a director, *said the Board's immediate re*action to the new offer was that it was "still quite inadequate."

Mr. Newman added that the *directors would be meeting with* advisers, Hambros Bank, to-day

According to British Vita's advisers, N. M. Rothschild, the latest terms are considered generous, particularly in view of Redfern's profit record and the volatility of the market with which it deals.

Nonetheless, it appears that Rothschild are not yet closing the door to a higher price and remain open to conviction by Redfern that an even larger offer is justified.

Terms of the new bid are *either 10 Ordinary shares for* every 28 shares of Redfern, or five new British Vita shares, plus £13.35 nominal of 7¼ per cent. Convertible Unsecured Loan Stock 1983 for every 28 Redfern. British Vita were unchanged yesterday at 284p, while Redfern rose 11p to 101p.

The offer closes on July 30.

It was reported earlier this month that no further progress had been made because of delays by the then prospective purchaser.

Mr. Harris, in his interim statement on July 6, disclosed that a *scheme had been prepared for the* redevelopment of the freehold property in Charterhouse Square, E.C.1, and that this could be of "considerable financial benefit to the company."

GRAND MET. HAS 10.3 PER CENT. OF TRUMAN

Indications were yesterday that **Watney Mann** will wait until it sees rival bidder **Grand Metropolitan Hotels'** formal offer for **Truman Hanbury Buxton** before making any statement about its position. There is a possibility that S. G. Warburg, on behalf of Grand Met., might get the formal documents read in time to be posted at the week-end.

Meanwhile, Watney continued to keep its options open by buying more Truman shares in the market yesterday—but not many. On Wednesday Watney bought 60,800 Truman at 416p each to take its stake to just over 25 per cent.

Grand Met. has been buying in bigger quantities—144,745 at an average of 415.98p were picked up on Wednesday—and was again in the market yesterday.

By Wednesday evening Grand Met. had on its own account bought 10.3 per cent. of the Truman issued capital.

ELDON GORST IN BID TALKS

The directors of **Eldon R. Gorst** and Son, builders and estate developers, North Wales, announced last night that discussions were taking place which might lead to an offer being made for the company. Shareholders were recommended not to dispose of their shares or take any action until *they were further advised.* After the news Gorst shares rose 1p to 110p putting a value of about £600,000 on the group.

COLLETT STAKE FOR MR. R. LYON

Shares in **J. Collett**, the hat and wig makers, rose 3p to 60p yesterday on the news that property man Mr. Ronald Lyon had acquired a near 15 per cent. stake *in the company.*

However, there are no take-over talks going on, according to Mr. M. Harris, Collett's chairman, who disclosed Mr. Lyon's interest.

In addition, Mr. Harris said: "We are no longer talking to anyone." No unconditional offer had been received and the parties *with which there had been dis*cussions had been told by Collett that the talks should be regarded as terminated.

Collett's share price is still below the 70p it reached in April when the company first announced an approach had been received.

Wellman's £2.8m. bid for Fluidrive

Following a strong rise in the *price of shares in* **Fluidrive Engineering Company**, the couplings and transmissions concern, the **Wellman Engineering Corporation** last night rushed out *terms of a £2.86m. offer.*

The bid is worth about 260p for each Fluidrive Ordinary and the Stock Market, sensing a possible battle, put the shares at 277½p last night—a rise of 60p on the overnight level.

There have been very tentative talks between the two groups and the bid represents another move by Wellman to move further away from the heavy end of the engineering industry.

On behalf of Wellman, Lazard Brothers will offer seven Wellman Ordinary—last night down ½p at 41½p each—plus 230p of 7¼ per cent. convertible unsecured loan stock 1979-81 for every two Fluidrive Ordinary.

The new Wellman Ordinary will not rank for the final dividend for the year to March 31, 1971. The loan stock will be convertible at 45p a share in the years 1973-77.

Wellman is also being advised by Williams Glyn. There will be an offer of 100p cash for each 5¼ per cent. Redeemable Cumula*tive Preference share of Fluidrive.*

● comment

Fluidrive holders have had to withstand a couple of pleasant surprises lately. Three weeks ago their shares leaped 35p on a mid-term forecast of sharp profits recovery for 1970-71; the latest surprise is a bound of 60p to 277½p following the 260p a share offer from Wellman (taking the Convertible at par). Thus the *market, anyway, reckons there is* more in the situation than the maximum 11.7 prospective exit p/e Wellman is currently prepared to offer. However, a quick run through the sums of relative worth shows the offer to be not *so unflattering. Assuming* Fluidrive makes £418,000 pre-tax this year (and that was a minimum forecast) it will contribute, after financing charges, 32 per cent. to combined profits on the basis of *Wellman's 1970-71 figures and* receive 34 per cent. of the combined eventual equity. Moreover, argument for Wellman lies in its short-term growth prospects via diversification and the pay-off from £600,000 of capital spending.

ASSOCIATES DEALS

Associates of **Trafalgar House** acquired another 100,000 shares in **Cunard** yesterday. Trafalgar now estimates that, with its own *holdings and those of friends and* associates, it can count on some 35 per cent. of the Cunard share capital.

Grand Metropolitan bought 144,745 **Truman** at 415.98p average.

Joseph Sebag bought on behalf of **United Drapery** 50,000 **John Myers** 10 per cent. Convertible at £190.

As brokers to **Rowntree Mackintosh**, Panmure Gordon on behalf of a discretionary investment client bought 4,000 **Rowntree** at 507p.

Carlebach Scott Young bought 10,000 **Silentbloc** non-assented at 28p on behalf of **British Leyland.**

Buckmaster and Moore sold 15,000 **Penguin Publishing** at 364p for associates discretionary client.

Phillips and Drew bought for an associate on behalf of investment clients 4,000 **Truman** at 416p.

Walker Crips Weddle bought 5,000 **Montfort (Knitting Mills)** at 60p for associates.

Morgan Grenfell, as an associate, yesterday sold on behalf of discretionary investment clients 5,555 **Grand Metropolitan** at 192¼p average.

Cazenove bought on behalf of associates of **Watney Mann** 60,800 **Truman** *at 416p. Also, Cazenove* reports Neilson Hornby Crichton and Co., as associates of Watney Mann, sold 50 Truman at 416p.

Laing and Cruikshank, as brokers to **British Leyland**, bought 50,000 **Silentbloc** non-assented at 28p for British Leyland.

WM. E. DUNN

Unaudited accounts of William E. Dunn for the half-year to *March 31, 1971, show a profit of* £25,360 after £20,000 tax, compared with £18,790 and tax of £26,500 in the same period of 1970. An interim dividend of 2½ per cent. is recommended.

In a letter giving details of the sale of Goldendale Iron Company's goodwill to British Steel Corporation, shareholders are told that results of trading from March 31, 1971, onwards "will not be accurately known for some little time."

Goldendale Iron has now been renamed Goldendale Develop*ments and outline planning per*mission obtained to develop 16½ acres of land at the Goldendale site as an industrial estate and for the use of another 15½ acres of land cerain buildings for general industrial purposes.

The site will be levelled and graded but recovery of metal and scrap *in this process should yield* a worthwhile profit. The operation is likely to take two years.

There will remain—after some *land is made available to Dunn for* collection and processing of scrap—outlying areas of land of about 20 acres for which plans are still under consideration.

HIGHGATE OPTICAL FORMAL OFFER

The offer from **Hutchison International** for the outstanding shares in **Highgate Optical and Industrial Company** has been sent out. The closing date is August 13 and the offer will not be extended beyond that date.

Mr. Marcel Martin, the retiring chairman, urges shareholders to seek competent professional advice before deciding whether to accept. He *has entered into an agreement to assist the new* Board in an advisory capacity for two years at £5,000 a year.

LEAD INDUSTRIES

Lead Industries Group has acquired for cash **James and Rosewall (Plymouth)**, lead sheet and pipe manufacturers and general builders' merchants. Arrangements are being made for the disposal of the company's *merchanting activities.*

SENA SUGAR

Provided climatic conditions were kind, **Sena Sugar Estates** could look forward to a tonnage of sugar from the 1971 crop of about the same amount as in the *previous year, stated chairman* Lt.-Col. J. D. Hornung at the annual meeting.

MINING NEWS

Some more bauxite for CRA

BY KENNETH MARSTON

AFTER having eliminated three out of four bauxite prospects during the past two years' prospecting in New Guinea and the Solomon Islands, **Conzinc Riotinto of** *Australia reports that* at Wagina Island bauxite reserves are now estimated at 20m. tons.

CRA has renewed its prospec*ting licence for a further* two years and must submit a feasibility study for extraction of the bauxite within that time. The ore is stated to contain a normal silica content, unlike that on nearby Rennell Island where the silica content is one of the lowest in the world.

The find repays the perseverance of the past two years but at its present estimate it is small by Australian standards. The huge **Comalco** *venture, for instance,* is expected next year to have an annual mining capacity at its Weipa deposits in Queensland of 10.5m. tons. CRA and **Kaiser Aluminum** each own 45 per cent. of Comalco while **Rio Tinto-Zinc** holds 80.6 per cent. of CRA.

KINROSS DRILL

The second borehole drilled for structural information by the **Union Corporation** group's gold-producing **Kinross Mines** outside the latter's boundary and on farm Winkelhaak 135 has cut the Kimberley reef at a depth of 1,294 metres. A virtually complete core recovery from the original intersection has given a low 440 centimetre-grams (101 inch-dwts). Two deflections have given 554 centimetre-grams and 336 centimetre-grams respectively.

Drilled on ground where the mineral rights are held by **UC Investments**, the hole is sited about 900 metres south-east of the previous drill which gave values up to 1,758 centimetre-grams. *No further drilling is con*templated for the time being, it is stated. Kinross hardened to 87p yesterday.

Metals Ex.

Long-term sales contracts covering most of the Queensland nickel project at Greenvale of **Metals Exploration and Freeport Minerals** *have now been signed.* The Australian partners add that the venture's pilot plant programme has been successfully completed and the plant was closed down at the end of June.

Among the main factors now to be resolved for the $200m. (£93m.) open-pit lateritic nickel prospect, which is due to reach production in 1974, are arrangements for debt financing, documentation and approval by the Japanese *customers and the Queensland* Government. As already reported, a first sales and loan agreement involving $30m. (£14m.) has been reached with five Japanese buyers of nickel-cobalt concentrates.

Metals Exploration states that at the even bigger Mount Keith nickel prospect in Western Australia *drilling in the vicinity* of the northern hole MKD 40 has failed to intersect nickel sulphide mineralisation.

The Mount Keith area was last estimated to contain in the MKD 5 zone some 250m. short tons averaging 0.6 per cent. nickel and a further hole here has given 0.5 per cent. nickel over 330 feet. Partners here are Freeport (50 per cent.) and **Australian Consolidated Minerals** (16¾ per cent.).

Metals Exploration's estimated group share of production from other sources in the June quarter fell to $688,000 from $915,000 in *the same period of last year. But* the share of group production income for the year to June 30 amounted to $3.23m. against $2.5m. with expenditure totalling $1.79m. against $1.27m.

ROUND-UP

*A 10 feet percussion drill inter*section of 0.5 per cent. nickel has been obtained by **Hawkstone Minerals** at Sir Samuel in Western Australia. The result is of interest because it comes from an area adjoining the **Selection Trust** group's Agnew claims. Hawkstone is linked with the **Longreach** group.

High ore grades of up to 69 per cent. iron are reported by **Northern Mining Corporation** *from its Weld Range prospect in* the Murchison district of Western Australia. The ore continues to a depth of at least 400 feet under two large orebodies already tested. In January inferred reserves were put at 110m. tons.

Low copper and nickel values have been obtained by **Australia-Wide** *at the Avon Valley prospect in Western Australia where the* company is partnered with **Uranium Consolidated**. The values were obtained over a strike length of over 1,000 feet with a width of 200 feet in what was thought to be a folded structure.

RECENT ISSUES

EQUITIES

Issue Price p***	Amount Paid Up	Latest Renunc. Date	1971 High	1971 Low	Stock	Closing Price p***	+ or −	Div. % or Amount	Times Covered	Gross Yield %	P/E Ratio
75	F.P.	3/9	82	78	Allied Polymer	78	−1	b18	1.3	5.8	13.5
♦	F.P.	—	150	150	Berwick Timpo (£1)	149	......	u6	2.6	4.0	9.5
155	75	15/12	88	67	Border & Southern Conv.	84½	+1	—	—	—	—
♦	F.P.	11/8	165	132	British & Can. Inv.	154	......	9	—	1.7	—
110	F.P.	9/7	116	97	Burston Group	100	−2	b16	1.7	4.0	15.0
—	—	—	128	99	Burton Grp. Warrants	126	+3	—	—	—	—
38	F.P.	21/7	43½	40½	Coley-Rotolia Grp.	41	......	b10	1.7	6.1	9.6
♦	F.P.	30/7	58	50	Commodore Secs.	54½	−1	b12¼	2.2	2.3	20.0
♦	F.P.	—	61	53	Comlit	58	......	b15	1.8	6.7	8.1
80	F.P.	11/8	95½	90½	Evans of Leeds	95	......	b15	1.4	3.9	18.1
45	F.P.	1/7	65	57	Fairview Estates (10p)	62½	......	b30	1.6	4.8	12.9
—	F.P.	—	476	370	First Inv. Am. Tst. ($4)	380	−28	—	—	—	—
100	F.P.	5/8	105½	97	Glendevon Inv.	102½	+½	£12	—	2.9	—
100	F.P.	5/8	111½	100½	Do. Do "B"	111½	+½	—	—	—	—
82½	F.P.	—	235	180	Jessel Trust	210	+5	—	—	—	—
80	F.P.	3/9	123	113	Kettering Motor Serv 10p	115	+1	b40	1.6	3.5	17.3
52	F.P.	27/8	56	55	Lawdon (10p)	58	+3	b35	1.8	6.0	9.3
40	F.P.	4/8	46½	38	Lincroft Kilgour (10p)	38	......	b27	1.9	7.1	7.2
135	F.P.	9/7	180	147	M.F.I. Warehouses (10p)	179	−1	b54	1.5	3.0	20.6
♦	F.P.	11/8	265	250	Matthews Wright'n 20p	261	+1	b40	1.9	3.1	17.3
52	F.P.	25/8	80	72	NSS Newsagents (10p)	80	+5	b22½	2.3	2.8	16.0
59	F.P.	—	71	60	Northborough Inv.	62	......	—	—	—	—
—	F.P.	—	88	78	Schlesinger (R1)	80	......	84.2	—	5.1	—
100	F.P.	16/7	101½	97	SPLIT Inc. (10p)	100	......	77.5	—	7.7	—
100	F.P.	16/7	105	91½	Do. Cap. (10p)	102	......	—	—	—	—
50	F.P.	7/7	91	80	Tigon Group (10p)	89½	......	b25	1.5	2.6	25.7
—	F.P.	—	34	25	Tower Assets (10p)	27	−4	a7½	2.1	2.8	17.1
75	F.P.	4/8	81	71	Tranmer Grp. (10p)	74	......	b40	1.7	5.4	11.2

FIXED INTEREST STOCKS

Issue Price	Amount Paid Up	Latest Renunc. Date	1971 High	1971 Low	Stock	Closing Price £	+ or −
£100	F.P.	—	98	98	Armour Tst. 10½% Part. Conv. '81-6	96	......
£100	£25	15/10	28⅜	24½	Automotive Prods. 10.4% Deb. '95-2001	28	......
£100	F.P.	27/8	98½	91¼	Barrow Hepburn & Gale 10½% Ln. Stk. 89/94	91¼	−1½
£100	£25	16/6	32	24	Bensons Hos. 10% Conv. 1977-91	25	......
£100	£35	29/10	35½	34½	Brady (G.) 11% Deb. 1991-96	35½	......
—	F.P.	28/7	96¼	94½	Brit. Land 9½% Uns. 1976	94½	......
♥£100	F.P.	7/7	98	94	Brittains 10½% Conv. 1991-96	96	......
£100	F.P.	19/8	106	93	Cannon St. 8½% Part Conv. 1976	105	......
£100	F.P.	6/8	113½	108¾	Cap & Counties 9½% Uns. '91-6 (with Warrants)	111½	......
£100	nil	6/8	8	5½	Cattle Hlds. 8% Conv. '87-91	8pm	−½
£100	F.P.	18/8	115	96½	Cornwall Prop. 10% Partly Conv. 1976	110	−5
£97¾	F.P.	—	98⅝	92⅝	Doncaster (D.) 11% Deb. 95-2001	98½	......
£103	F.P.	23/7	111	108	East Anglian Water 10% Red. Pref. '77	108	......
♥£100	F.P.	9/8	107½	101	Eng. & Int. 7% Conv.	107½	......
£100	£50	30/7	56½	50	Euston C. Props. 10.4% 1st M. Deb. '92-7	55¾	......
£100	£25	13/8	27½	25	Ford Int. 7½% Conv. Guar. '80-6	27½	......
£100	F.P.	29/7	106	100¾	Glendevon Inv. 10.6% Deb. '91-96	105	......
£99	£50	1/10	51½	50	Hargreaves 10¼% Deb. '92-97	51½	......
£100	£50	24/9	53½	52¼	Hepworth Cer. 10.4% Deb. '92-7	52¼	......
£97½	F.P.	30/11	98½	98	I.C.F.C. 9% Uns. Ln. Stk. 1977	98	......
♥£100	F.P.	2/7	121	105½	I.C. Gas 7% Conv. 1990-95	119½	+½
£98	F.P.	7/5	109	99¾	I.C.I. 10% Uns. Ln. Stk	106½	......
††	F.P.	17/9	103½	96	Kent Castings 10% Part. Conv. 1976	102	......
††	F.P.	20/8	109	103	Kleeman 7½% Conv. 1981	109	......
—	F.P.	30/6	74¾	72½	Land Secs. 6½% 1st Mort. Deb. '78-83	74¼	......
—	F.P.	30/6	66½	63	Do. Do. Do. 1993-98	66½	......
—	F.P.	30/6	90	85	Do. 5½% Uns. Ln. Stk '92-7	89¼	......
£103	£10	27/8	18	12	Mid. Sth. Water 10% Red. Pref. '77	18	......
$100	F.P.	—	97½	97½	National Bank of Hungary 8½% US$ Bds. 1981	97½	......
††	F.P.	15/9	96½	92½	Newman Inds. 10½% Part. Conv. '96-8	96½	+½
£100	£10	—	9⅞	9⅞	North'pton Corp. 8% Red Stk. '78-8	9⅞	......
£100	nil	11/8	12½	8	Plantation 11% Conv. Sub. '91-96	9pm	......
£100	F.P.	16/9	106	100	Ralli Int. 8% Uns. 1974	104	......
£99	£25	7/10	26½	24¼	Reeves (F. J.) 11% Deb. '96-2001	25¼	......
£100	F.P.	13/8	107	96	Ruberoid 10½% Prtly Conv. Uns. Ln. Stk. 80-85	107	......
$100	F.P.	—	98½	98½	Sandvikens 8% $ Bonds 1986	98½	......
£100	F.P.	18/6	110½	103⅝	Scott. Auto. 10% Conv. Uns. '85-90	106	+2
£105	F.P.	23/7	111	108	Sutton Water 10% Red. Pref. '77	108	......
♥£100	F.P.	9/7	104	100½	Temple Bar 5¾% Conv. '85-90	104	......
£100	nil	6/8	5¼	4½	Throgmorton Tst. 8¼% Conv. '88-92	4½pm	−¾
£100	nil	—	4¾	3½	Union Comm. 8½% Conv. 1986	3½pm	−¾

"RIGHTS" OFFERS

Issue Price p***	Amount Paid Up	Latest Renunc. Date	Stock	Closing Price p***	+ or −
$1.00	Nil	—	Austin	4½pm	−2½
35	F.P.	3/8	Bimits	80	......
♥A$15.5	37½	2/7	Bougainville Mines	102	+4
140	Nil	2/9	Bovis	39pm	−1
27½	F.P.	30/7	Bridgend Inv.	32½	......
37	Nil	6/8	Scottish Tea & Rubber	3½pm	−½
95	Nil	—	Wolsey-Hughes	27pm	+1½

Renunciation date usually last day for dealing free of stamp duty. *a* Placing price to public. *b* Figures based on prospectus estimate. *d* Dividend rate paid or payable on part of capital; cover based on dividend on full capital. *u* Figures based on prospectus or other official estimate for 1969-70. p*** Pence unless otherwise indicated. ** Issued by tender. ‡ Offered to holders of Ordinary shares as a "rights." ♥ Issued by way of rights. † Rights by way of capitalisation. †† Tender allotment price. ♦ Reintroduced. ‡‡ Issued in connection with reorganisation, merger or take-over. ❊ Provincial quotation. ♣ Introduction. ♠ Issued to former Preference holders. * Dealt in under Special Rule. § Price at time of suspension.

INTERIM STATEMENTS

TATE & LYLE, LIMITED

INTERIM REPORT

Details of the Group trading profit (unaudited) for the six months ended 31st March, 1971, and of the Group profit at present estimated for the full year are shown below in comparison *with the 1970 results. Figures for the six months periods exclude the raw sugar producing* companies as the nature of their operations makes half-yearly statements impracticable.

	1971 6 Months to 31st Mar. £'000	1971 Year to 30th Sept. £'000	1970 6 Months to 31st Mar. £'000	1970 Year to 30th Sept. £'000
Refining and Distribution:				
United Kingdom	2,022	4,550	801	3,784
Canada	1,454	3,320	1,371	3,530
Africa	250	510	270	[illegible]
Molasses, Alcohol and Liquid Commodity Trading, Storage and Distribution	190	1,170	2,012	3,303
Shipping	1,903	3,830	1,290	3,266
Engineering and Miscellaneous:				
United Kingdom	(271)	(250)	(62)	(189)
Overseas	(104)	230	(211)	(314)
	5,444	13,380	5,704	13,918
Production of Raw Sugar including local refining:				
British Honduras		(220)		(343)
Jamaica		(580)		(985)
South Africa		700		(171)
Zambia		720		(133)
		14,000		12,326
Deduct Holding Company's Expenses:				
Finance	1,540		1,880	
Administration	1,100		1,085	
Research	250	2,890	218	3,163
Profit before Taxation		11,110		9,163
Charge for Taxation:				
United Kingdom	2,320		2,345	
Overseas	2,730		2,404	
	5,050		4,749	
Deduct Prior Year's adjustments	80	4,970	500	4,249
Net Profit after providing for Taxation		6,140		4,914
Share of Minority Interests		1,310		624
Profit attributable to Tate & Lyle, Limited		4,830		4,290
Preference Dividend		156		156
Profit attributable to Ordinary Stockholders		£4,674		£4,134
Earnings per share		10.8p		9.7p

The estimated profit before taxation for the year is £1,947,000 higher than 1970; it *would show a very much greater increase were it not for a major trading loss of approximately* £2,060,000 which has been incurred in Argentina. This was due amongst other things to misjudgments in trading, to devaluation, and to restrictions placed on exports by the Argentine Government which caused a loss on stocks of sunflower seed already bought for *the export trade.*

In view of the uncertainties of trading in Argentina, it has been decided to curtail severely future activities. This loss of £2,060,000 has been partly offset by a revaluation of molasses stocks elsewhere in the Group which produced a surplus of £534,000.

REFINING AND DISTRIBUTION

From April, 1971, U.K. Refining has had the advantage of the increased margin following the successful conclusion of negotiations with the Government. However, the specially favourable export opportunities which arose in the second half of 1970 are not expected to *be repeated this year and there has been some drop in home sales.*

Profits in Canada continue at a satisfactory level; the reduction arises mainly from the inclusion in 1970 of surpluses on redemption of debentures.

MOLASSES, ALCOHOL AND LIQUID COMMODITY TRADING

Mention has been made of the loss in Argentina; elsewhere long term prospects for world trading in molasses and other liquid commodities remain favourable although in the current year there has been some pressure on margins, due mainly to declining freight rates.

SHIPPING

The current year's figures include certain surpluses arising from the sale of two ships as part of the replacement programme.

Excluding these surpluses the trading profit for the year, because of the current low level of freight rates, is expected to fall by about £500,000. This figure would be greater but for the continuance of certain long term charters at high rates, from which benefit will also be felt in 1972.

ENGINEERING AND MISCELLANEOUS

The improvement anticipated in U.K. Engineering has not yet been realised but contracts now in final stages of negotiation should ensure that recovery is achieved next year.

Diversification into the U.K. meat trade has not come up to expectations and our investments are being disposed of in the current year.

The improvement in overseas profits is mainly due to the recovery in the Daymond group and the recent acquisition of Anvil Plastics in Canada.

PRODUCTION OF RAW SUGAR

Jamaican results have again been very poor. Excluding the profit from the sale of a U.K. lease, it is expected that there will *only be a small improvement on the major loss of* last year. Even a good crop cannot be profitable on existing prices. It is vital to the Jamaican industry that a substantial increase in Commonwealth Negotiated Price be agreed at the review due to be made this autumn; it must not be thought that the industry can afford to await the *higher prices expected on entry to the EEC.*

A good profit has been made this year in South Africa by Illovo but due to the two year crop cycle, this is not expected to be repeated in their financial year ending April, 1972. However, profitable sales of land not essential to production are being made which will *assist in reducing their heavy borrowed position.*

The Zambia Sugar Company has had an excellent year. Agreement in principle has been reached with the Zambian Government for the purchase by them of a controlling interest which would result in a reduction in Tate & Lyle's holding to about 42%; the figures *in the statement assume that control will not pass before the end of September.*

ACQUISITIONS

As recently announced, over 90% of each class of capital of The Molassine Company, Limited has been acquired and the Company is obtaining the remainder under Section 209 of the Companies Act 1948; £446,750 ordinary stock will be issued in consideration for the total acquisition.

Following the successful completion of the negotiations with the Government of Jamaica for the sale of The West Indies Sugar Company's land, offer documents will be despatched shortly for the acquisition of the minority interests in that company. A total of £210,851 ordinary stock will be issued should all the minority holders accept the offer.

Full acceptances of these offers will bring the issued ordinary capital of the Company to £43,297,864.

The close company provisions of the Finance Act 1965 do not apply to the Company.

MEARS

INTERIM REPORT

Mears Bros. Holdings Ltd.

Civil Engineering, Building and Dredging Contractors.

Trading Results:

The Group profit (unaudited) for the six months ended *31st March*, 1971, and the comparative figures for the six months ended 31st March, 1970, are as follows:—

	1971 £	1970 £
Group profit before taxation	90,000	120,000
Taxation (estimated)	36,000	51,000
Group profit after taxation	£54,000	£69,000

Notes:

The Group profit before taxation for the year ended 30th September, 1970 was £310,031.

Corporation tax has been calculated at 40% (1970: 42½%)

Chairman's Statement:

The results of Mears Construction Ltd. will be disappointing. Only moderate progress could be made on certain contracts during the winter and they have been further affected by recently encountered difficulties, including the very wet weather in June. However, the company has continued to obtain a good volume of work and now has a record value of contracts in hand.

M. B. Dredging Company Ltd. is enjoying a successful year and will report a material *increase in profits.*

Profits of A. Long & Co. Ltd. to date already exceed those of 1970 and the prospects for the remainder of the year are encouraging.

A. Long Products Ltd. have now contained their loss and are in the process of concluding an agreement with a national distributor to undertake the marketing of Protectowrap pipe *wrapping products in the U.K.*

I have previously expressed the hope that 1971 would see a return to the level of profit obtained in 1969, but I regret that, for the reasons already stated above in relation to the construction company, our chances of achieving this target have been reduced. Nevertheless, group profit before taxation in the current year should at least equal that of 1970. Accordingly, an interim dividend at the rate of 6% has been declared payable on the 12th August, 1971 to shareholders on the register at the close of business on 23rd July, 1971.

W. G. Packman, Chairman. 21st July, 1971

INTERNATIONAL COMPANY NEWS + OVERSEAS MARKETS

Lufthansa warns of no pay-out for 1971

COLOGNE, July 22.

LUFTHANSA, the German national airline said to-day it will probably be unable to pay a dividend on its ordinary capital for 1971.

The company has declared an enhanced 1970 dividend of 4 per cent. on its ordinary capital as well as the guaranteed 5 per cent. dividend on its preference shares.

Supervisory board chairman Hermann J. Abs told the annual meeting it remains an open question whether the company will be able to distribute the 5 per cent. dividend on the preference shares for this year.

A spokesman for the company explained that as the preference shares are cumulative, shareholders will have a right to a 10 per cent. payout on them for 1972 if Lufthansa is unable to make the distribution for this year.

Lufthansa's basic capital of DM400m. comprises 353m. worth of ordinary shares and 47m. worth of preference shares.

The board reported that the company is having to carry heavy burdens this year.

It expects to make a loss of about DM80m. on the North Atlantic route. The strike by ground staff, the go-slow by air traffic controllers and the floating of the mark are expected to add a further cost load of about DM80m.

For 1970 Lufthansa recorded a net profit of DM12.9m. against 12.3m. marks in 1969 on 14.7 per cent. higher turnover of DM1,863m.

Reuter

Gelsenberg invests more

By Christopher Lorenz

FRANKFURT, July 22.

GELSENBERG, West German fuel concern, intends to invest over DM300m. this year, compared with DM284m. in 1970, the chairman told to-day's annual general meeting.

Dr. Walter Cipa said Gelsenberg would have to invest similar annual amounts in future years in order to complete the re-organisation of the group and strengthen its income and market provision.

He warned that the concern would only be able to fulfil these investment requirements if cost inflation did not continue and economic policy did not reduce still further the company's self financing capability.

The meeting was given a well hedged assurance that the 1971 dividend would not be below last year's 8 per cent.

KLOECKNER-WERKE

External turnover of Kloeckner-Werke, the West German steel concern, was 5 per cent. lower in the first nine months of the current year than in the same period in 1969-70, according to a shareholder's letter received to-day. In 1969-70 the concern made sales of DM2,341m. and a net profit of DM.40m. The year ends on September 30.

The fall is due to a 12.8 per cent. drop in crude iron and steel sales, offset only in part by a 7.2 per cent. rise in receipts from processed products. Rolled steel production fell by 12.6 per cent.

Kloeckner-Werke is worried about falling export, prices, and predicts that in view of market weaknesses and continually rising costs the year's results will be "not inconsiderably" below those of last year.

French plane makers to merge

PARIS, July 22.

MARCEL DASSAULT, builders of the Mirage jet fighter, plans to merge with Breguet Aviation to become the country's second largest plane maker, Dassault sources said here to-day.

The merger was approved yesterday by the Boards of the two firms on the basis of 23 Breguet shares for five of Dassault.

The merger is a legal formality, since Dassault already hold more than 62 per cent. of Breguet capital, but the move will enable Dassault shares to be quoted on the Paris Stock Exchange and make it easier for the company to raise capital to launch a production series of their Mercure short-haul airliner.

The new group, to be called the Marcel Dassault-Breguet Aviation Company, employs some 12,000 people.

It will be second in size to the giant Aerospatiale company, joint makers of the Concorde airliner with the British Aircraft Corporation.

Dassault is France's biggest builder of military planes, selling Mirage fighters in many parts of the world.

Breguet builds the Jaguar strike jet plane, in co-operation with the British Aircraft Corporation, as well as several other jointly developed aircraft.

Reuter

Du Pont plans new dye plant

By Our International Company News Staff

DU PONT Company announced yesterday plans to purchase land in Puerto Rico for possible development as the site of a dye manufacturing facility. No site has been selected, although several are being evaluated and a decision is expected within a month, said a company release.

If construction is authorised, the new plant could be in operation in late 1974.

At present Du Pont's dye production is concentrated at the company's Chamber Works, at Deepwater, NJ, where production will continue, since only a portion of Du Pont line of dyes would be produced at the Puerto Rican facility.

Dye intermediates will continue to be manufactured at Chamber Works.

Hapag cuts Atlantic sailings

By Christopher Lorenz

FRANKFURT, July 22.

HAPAG LLOYD, the West German shipping line, is to make only three scheduled transatlantic runs next year because the Europe to America section of the round trip has become unprofitable.

Its two liners Bremen and Europa will together make a total of 16 scheduled transatlantic round trips this year. It is indicative of the rundown in scheduled transatlantic liner services that, in 1966, the two liners ran a joint total of 39 scheduled round trips.

Both liners are to be transferred almost exclusively to cruising, with the Bremen based on New York and going mainly to the Caribbean, and the Europa covering European waters from Hamburg and Kiel.

GF profit drop

By Nicholas Colchester

NEW YORK, July 22.

GENERAL FOODS to-day reported profits for its first quarter to July 3 of $26.9m. or 54 cents a share, compared with 28.8m., 58 cents a share, in the same period in the previous fiscal year.

Despite the profit shortfall the company's chairman, Mr. C. W. Cook, said that the results for the quarter had been on target. Looking ahead he predicted that GF's performance over the rest of the year would be better than last year in terms of both sales and earnings.

TOURISM IN YUGOSLAVIA

The Atlas success story

BY A SPECIAL CORRESPONDENT

BY A SPECIAL CORRESPOND.

ATLAS is a Yugoslav tourist agency based in Dubrovnik, which during the last seven or eight years, has expanded more rapidly, perhaps, than any other comparable concern in the Balkans.

In 1964, it had an annual turnover of $1.5m. and by the end of 1970 this figure had mushroomed to $20m. In 1964, there were 50 employees working in four offices in or around Dubrovnik, while to-day 350 people work from about 30 Atlas offices spread across the whole of Yugoslavia. Where six years ago Atlas owned four buses, no wthere are 70; and in place of two small tourist boats with a maximum capacity of 40 passengers, the company now owns eight ships—sailing on day excursions—whose capabilities vary between 20 and 300. In short, from being a small, impecunious company, Atlas has become the head of a consortium of five subsidiary enterprises, all grouped under the parent Atlas Holding Company.

Enthusiasm

As an organised money-making industry, tourism started almost from scratch in Yugoslavia at the end of the 1950s. There was plenty of enthusiasm, but little professional "know-how." And it was at this point the country woke up to the fact that to earn valuable foreign exchange, one of the best methods was the exploitation of its coast. Since then, though not one of the biggest agencies in size, Atlas has brought more American tourist business into Yugoslavia than all its rivals combined.

Atlas's terms of reference are to act as agents for any foreign tour operators and travel organisations sending visitors to Yugoslavia, as well as to provide facilities for internal tourism. Foreign concerns are obliged to employ a Yugoslav agent to negotiate their arrangements, except for hotel contracts which can be negotiated direct. All other facilities for tourist groups—their transfers, excursions, and so on—must be undertaken by a Yugoslav company, though in conjunction with the foreign operator's representatives. But this work is no sinecure: Yugoslav travel businesses work in direct—and often cut-throat—competition with their rivals.

The original agency from which Atlas has grown was founded as a public company in 1923, only six years after the formation of the Kingdom of Yugoslavia. Mass tourism was then unknown and, in those early days, the only organisation to have a concession—like a closed shop—from the State, centred in Belgrade, was Putnik ("putnik" meaning "a traveller"). At the end of the last war, Putnik—though Yugoslavia had changed Kingdom for Communist State—was still technically in existence. The offices, where they had survived bombing and shelling, still belonged to them and the offices in Dubrovnik still carried the name Putnik.

At the beginning of the 1950s Tito, after breaking with the USSR, began to decentralise. The travel agency in Dubrovnik became independent, and was taken over by Dubrovnikan citizens. Now, in competition with its former head, Putnik, its name was changed to Atlas. It had no money or backing; only a new independence of spirit, the priceless asset of its historic and beautiful, walled city, and the dazzling colour and warmth of the Adriatic coast. Indeed, because of its penury, the Minister of Tourism in Belgrade brought pressure to persuade Atlas to join the bigger firm of Generalturist. The Dubrovnikans, however, were determined to "go it alone."

Foreign interest

Little progress was made in the 50s; but in the 60s, with easier money and foreign interest in tourism, growth began to mushroom. In 1970, Atlas's profit on capital return was 22 per cent. Higher education in Yugoslavia is increasingly available, and Dubrovnik has always been one of the more sophisticated cities so that Atlas has little difficulty in choosing trained minds to work for it. Fifty-six out of the 350 employees are graduates; 10 of them on the workers' council. Safeguards against unsuitable employees include a trial period before permanent contract, and a personal incentive salary scheme whereby an extra percentage is awarded for outstanding work. Another factor for success is that the average age of the directors is 34; old enough to provide the council with experience, but young enough to be free of "hard-line" dead wood.

The holding company now controls five subsidiaries: the Atlas Coach Company; the Atlas Shipping Company, for day-cruising; the Atlas Cable Car Company, with the new cable-way to the heights above Dubrovnik and the fortress at the top for development as an entertainment centre; Atlas Investments, concerned with the financing of new projects; and Atlas Club International, for promoting Yugoslav travel overseas.

Swiss finance

Atlas Investments borrows money from Yugoslav banks at favourable rates: at best, for hotel building, at between 4 and 6 per cent. for a 20-year period; at worst, at 10 per cent. over 12 years for other purposes. It can also negotiate for foreign capital, up to 49 per cent. of the project involved. Recently it concluded a deal with Swiss bankers for several millions of dollars to be used in a new tourist development a few miles north-west of Dubrovnik. With the acquisition of 400,000 square metres at the little fishing port of Zaton in a delightful inlet up the coast, the way is clear for a complete 15,000-bed tourist centre of hotels, apartment villas, restaurants and entertainment.

IN BRIEF

Europe

SCHWEIZERISCHE RUECK-VERSICHERUNGS GESELLSCHAFT said that at a cost of slightly under DM10m. it raised its direct and indirect stake in Magdeburger Feuerversicherungs Gesellschaft of Hanover to about per cent. from slightly less than 25 pe rcent.

BP BENZIN UND PETROLEUM Zurich, wholly owned Swiss sales subsidiary of British Petroleum, said gross turnover in 1970 rose to Sw.Frs.509m. from 451m. in 1969. After-tax turnover advanced to 257m. from 220m.

GERVAIS-DANONE, German member of the Gervais-Danone group of France, will again omit paying an Ordinary dividend for that year (having first omitted payment for 1969) although it will pay a bonus of 3 per cent. Executive Board chairman, Franz Josef Hoefler, said the company hopes to return to normal profitable operations after completion of the current three-year restructuring programme at the end of this year.

MIJ. TOT VERHUUR EN FINANCIERING VAN BEDRIJFSMIDDELEN ("Lease Plan Nederland") plans to float a Fls.9m. per cent. six-year debenture loan at 99 per cent. on August 2. Bank Mees en Hope said as issuing syndicate leader.

KONINKLIJKE NEDERLANDSCHE HOOGOVENS EN STAAL-FABRIEKEN and HOESCH have obtained from the U.S. Export-Import Bank a $6.37m. loan for two factory projects under a co-operation pact between the Dutch and West German firms. Loan will finance half the cost of U.S. equipment and services for building a tinplate mill at the Hoesch site in Dortmund and expanding Hoogovens' steel works at Ijmuiden, Holland.

North America

● STANDARD OIL OF NEW JERSEY said its crude oil production rose 5¼ per cent. in the first six months this year while natural gas sales were 12 per cent. higher than a year earlier.

● MOTOROLA second quarter net earnings rose to $7.9m. (equal to 59c. per share) from $7.1m. (53c.), on increased sales of $219m. (190m.).

● DICTAPHONE CORP net profit fell to $319,000 (8c. a share) in the second quarter from $472,000 (13c.) on slightly lower sales of $23.67m. (24m.).

● AMERICAN CYANAMID, cautiously optimistic about the second half, reported first half 1971 net profit declined to 99c a share from $1.06.

● CELANESE CORPORATION second quarter net profit dropped to $15.8m. ($1.07 a share) from $16.5m. ($1.13) in the same 1970 period on increased sales of $317m. ($280m.).

● BORG-WARNER CORPORATION announces second quarter net earnings $12,349,000, or 64c. a share, compared with $11,257,000 or 58c. a year earlier. Sales rose slightly to $291,912,000, up from $289,548,000.

● BABCOCK AND WILCOX said new orders in first half totalled $438.8m. and backlog at June 30 stood at $2,008.1m., compared with $2,039.7m. at beginning of year. Company predicted total 1971 net will be "considerably higher" than that for 1970, after reporting first-half net of 95 cents, against 32 cents.

● ARVIN INDUSTRIES agreed to develop with Engelhard Minerals and Chemicals hardware for automotive emission control systems. Arvin, which produces about two-thirds of muffler systems for U.S.-built motor vehicles, said agreement is non-exclusive and continues previous working relationship. Engelhard recently announced arrangement with Ford Motor to supply its PTX platinum catalyst for Ford's emission control requirements for 1974 model cars and light trucks to be sold in California.

Others

● AUSTRALIAN GUARANTEE CORPORATION net profit $A11,833,543 ($9,467,832) for year to June 30, after tax of $10,133,700 ($8,711,125). Final dividend 7.5 per cent. (same) making 15 per cent. (same) for the year, payable September 16. Dividend payable on new shares issued in December, 1970.

● TOYO BEARING MANUFACTURING plans to set up subsidiary in West Germany next year, capitalised at $1m. Unit, in which Toyo's current German sales agent hopes to take interest, will build plant in Düsseldorf, producing 1m. bearings a month.

● BORG-WARNER AUSTRALIA interim dividend 5 per cent. (same) for six months to June 30. Consolidated net profit rose to $A1.067m. from $A1.026m. The 1970 profit has been adjusted for additional tax required from 1970-1971 Federal Budget. Despite some economic uncertainty, level of present business indicates unless these are exceptional circumstances, earnings for this financial year will show improvement over earnings for 1970.

JAPANESE BUY STAKE IN MHL

THE long-term Credit Bank of Japan, a Tokyo-based specialist in medium-term financing, has joined N. M. Rothschild and Sons and Riumione Adriatica di Sicurta, Milan, as a minority shareholder in Manufacturers Hanover Limite, the London-based merchant bank. As foreshadowed in the Financial Times, the Japanese concern has bought 5 per cent. of the issued stock from Manufacturers Hanover Trust Company, which remains the principal shareholder.

SELECTED EURODOLLAR BOND PRICES MID-DAY INDICATIONS

	Bid	Offer
Straight		
Atlas Copco 9½pc 1985	103½	104½
ASEA 9½pc 1986	94½	95½
Beecham 8½pc 1986	93½	94½
Borregaard 8½pc 1986	95½	96½
Conoco 8pc 1986	94	95
Conoco 9½pc 1985	104	105
Courtaulds 9½pc 1985	102½	103½
Denmark 9pc 1982	102½	103½
Esso 8pc 1986	97½	98
Esso 9pc 1985	106	107
General Mills 8pc 1986	93½	94½
GUS 8½pc 1986	95	96
Hambros 9½pc 1985	103½	104½
Hamersley 9½pc 1985	101½	102½
ICI 8½pc 1982	84½	85½
Ireland 8½pc 1989	92½	93½
ISEC 9pc 1985	102	103
Massey Ferguson 9pc 1982	101½	102½
Monsanto 8½pc 1985	101	102
Mt. Bk. Finland 8½pc 1986	91½	92½
Occidental 9½pc 1982	100	102
Oslo 8½pc 1986	93½	94½
Olivetti 9½pc 1985	102½	103½
Ontario Hydro 8½pc 1986	97½	98½
Philips 6½pc 1978	97½	98½
Quebec Hydro 8½pc 1986	95	96
Transocean Gulf 8pc 1986	94½	95½
Notes		
Cabot 8½pc 1975	101½	102½
Ericsson 8½pc 1975	103½	104½
Esso 7½pc 1976	98½	99½
Esso 8⅞pc 1975	103½	104½
Gatx Oswego 9½pc 1977	98½	99½
Hawker 9pc 1975	101½	102½
Nippon Petr. 7½pc 1973	98½	99½
Oslo 9pc 1975	103½	104½
Transocean Gulf 8½pc 1975	102	103
Source: White Weld Securities.		
Convertibles		
Alusuisse 7pc '81 cum.wts.	104½	105½
American Cn 4½pc 1988	79½	80½
Americn Brands 5½pc 1988	120½	121½
Amoco 5½pc 1984	96½	97½
Beatrice 7½pc 1990	120½	121½
Borden 6½pc 1981	102	103
Chrysler 5pc 1988	88½	89½
Eastman Kodak 4½pc 1988	93	94
Equity Funding 5½pc 1989	84	85
Firestone 5pc 1988	84½	85½
Ford 6pc 1986	104½	105½
Fuji Photo Film 6½pc 1985	186	188
Honeywell 5pc 1983	99½	100½
Kinney 6½pc 1990	106½	107½
Komatsu 6½pc 1984	100½	101½
Michelin 6pc 1985	107	109
Murphy 5pc 1989	83½	84½
Owens Illinois 5pc 1977	102½	103½
Pepsico 4½pc 1981	123	124
Rand Selection 6½pc 1986	103	104
Revlon 4½pc 1983	102½	103½
Suez 7pc 1985	100½	101½
Texaco 4½pc 1988	87½	88½
20th Century Fox 5pc 1987	59	60
Union Carbide 4½pc 1982	94½	95½
Source: Kidder, Peabody Securities.		

COMPANY NEWS

Tate & Lyle profit increase

A JUMP of £1.95m. to £11.11m. in pre-tax profit is forecast by Tate and Lyle for the year to September 30, 1971. The indication is given, as usual, in the interim statement.

It would show a very much greater increase were it not for a major trading loss of approximately £2.06m. incurred in Argentina, the directors point out. This was due partly to misjudgments in trading, to devaluation, and to restrictions placed on exports which caused a loss on stocks of sunflower seed already bought for the export trade.

In view of the uncertainties of trading in Argentina, it has been decided to curtail severely future activities. The £2.06m. loss has been partly offset by a revaluation of molasses stocks elsewhere in the group which produced a surplus of £554,000.

The year's profit attributed to the Ordinary is estimated at £4.67m. (£4.13m.), giving earnings of 10.8p (9.7p) per share.

A breakdown of the year's estimate and the actual results achieved in 1969-70 is shown in the table.

From April, 1971, U.K. refining has had the advantage of the increased margin following the successful conclusion of negotiations with the Government. However, the specially favourable export opportunities which arose in the second half of 1970 are not expected to be repeated this year and there has been some drop in home sales.

Profits in Canada continue at a satisfactory level; a reduction arises mainly from the inclusion in 1970 of surpluses on redemption of debentures.

Apart from Argentina, long-term prospects for world trading in molasses and other liquid commodities remain favourable although in the current year there has been some pressure on margins, due mainly to declining freight rates.

In shipping the current year's figures include certain surpluses arising from the sale of two ships as part of the replacement programme. Excluding these, trading profit for the year, because of the current low level of freight rates, is expected to fall by about £500,000; this would be greater but for the continuance of certain long term charters at high rates, from which benefit will also be felt in 1972.

The improvement anticipated in U.K. engineering has not yet been realised but contracts now in final stages of negotiation should ensure recovery next year. Diversification into the U.K. meat trade has not come up to expectations and investments are being disposed of in the current year.

The improvement in overseas profits is mainly due to the recovery in the Daymond group and the recent acquisition of Anvil Plastics in Canada.

In raw sugar production Jamaican results have again been very poor. Excluding the profit from the sale of a U.K. lease, it is expected that there will only be a small improvement on the major loss of last year. Even a good crop cannot be profitable on existing prices.

	1970-71 Year to Sept. 30 £000	1969-70 Year to Sept. 30 £000
Refining and distribution		
United Kingdom	4,350	3,754
Canada	3,320	3,530
Africa	310	335
Molasses, alcohol, etc.	1,170	3,303
Shipping	2,530	3,266
Engineering, etc.		
U.K. loss	230	189
Overseas profit	230	*314
Raw sugar		
British Honduras loss	220	343
Jamaica loss	550	955
South Africa profit	700	*131
Zambia profit	720	*133
Holding co.'s expenses	2,890	3,163
Profit before tax	11,110	9,163
U.K. tax	2,320	2,345
Overseas tax	2,730	2,404
Prior credits	50	500
Minorities	1,210	624
Attributable	4,830	4,290
Preference dividend	156	156
Attributable Ordinary	4,674	4,134

* Loss.

It is vital to the Jamaican industry that a substantial increase in Commonwealth Negotiated Price be agreed at the review due to be made this autumn: "it must not be thought that the industry can afford to await the higher prices expected on entry to the EEC," the directors stress.

FALKLAND ISLANDS

At the annual meeting of the Falkland Islands Company, chairman Mr. M. C. Waldron reported that the group had sold 635,891 kilos of the current season's clip at an average of 31.1p per kilo.

"This represents two-thirds of our clip," he added.

The ship stores group maintained both turnover and profitability so far this year. "I am hopeful that we shall again achieve the 1970 profit level," stated Mr. Waldron.

Metal Box 'well placed'

GROUP PROFITS of Metal Box Company in the first six months of its current year ending March, 1972, should be much the same as in the first half of 1970-71, when pre-tax earnings totalled £8.63m.

At the same time, the group is well placed to take advantage of a general surge forward of demand as a result of the latest Government measures.

The anticipated profit picture was given yesterday by Mr. Alex Page, the chairman, at the annual meeting. He pointed out that last year's first half was a "very good six months."

Mr. Page told holders that sales in the first quarter of this year were over 10 per cent. up, the increase on the home market having been 11 per cent. to £40m. and overseas 9 per cent. to £20m. However, neither of these increases reflected real growth, "but are the result of price increases forced on us by continually increasing costs," he added.

The company supported the Confederation of British Industry's pronouncement on holding prices, but this would only show results if excessive wage increases also were curbed.

As for the Common Market, Mr. Page said that from the point of view of Metal Box, both its shareholders and employees alike, "I believe this would be to our advantage."

Palace & Derby "rebels" to meet

A group of shareholders in Palace and Derby Castle, the Isle of Man entertainments group which made a £91,852 loss in its last financial year, will meet on Monday to set up a shareholders' committee.

The shareholders, who already have the backing of 150,000 of the issued 2.2m. shares and hope to attract the support of holders of at least 10 per cent. of the capital, will press for more information on the situation which led up to the losses.

In May the company reported that during the year arrangements were made whereby groups of tourists were flown to the Isle of Man with the idea of improving revenue at the company's casino. An agent was employed for the purpose and legal proceedings had been started against the agent to recover a "very substantial amount." The company has written-off £162,702.

The "rebel" shareholders will be meeting at 3 pm at the Howstrake Hotel, Isle of Man.

CAFFYNS WELL AHEAD

Profit for the first three months of its current year was well above that earned in the corresponding period of 1970, reported chairman Mr. S. M. Caffyn, at the annual meeting of motor agents and engineers.

No less profit for Mears

PRE-TAX profit of Mears Brothers (Holdings), civil engineers, building and dredging contractors, for the year to September 30, 1971, should at least match the £310,031—which included £54,780 plant sale profits—achieved last year, members are told.

The hope had previously been expressed that 1971 would see a return to the level of profit obtained in 1969 (£338,317) but chances of achieving this target have been reduced, it is stated.

Meanwhile, directors report a drop in the first half profit to £90,000 (£120,000) before tax £36,000 (£51,000).

The interim dividend is held at 5 per cent. Last year's total was 12½ per cent.

Principality Bldg. assets growth

Mr. L. Boyle, general manager of the Cardiff-based Principality Building Society, reports that its assets have climbed to the record level of £42,749,825.

Investment receipts for the half-year ended June 30 increased by £1,013,884 to £5,773,000, while the withdrawals figure was only slightly above that for the first six months of last year. Net investments were £2,645,000, an increase of 38 per cent.

The society has so far this year advanced £3,461,949 on new mortgages, compared with £3,905,207 in the first six months of last year.

Commitments stand in excess of £2m. and Mr. Boyle expects advances for the latter half to exceed those for the first.

Derby Trust interim up

Derby Trust is raising the interim dividend on its income shares to 4.93 per cent. from 4.86 per cent. Last year's total was 10.81 per cent.

Gross income available for distribution for the half year to June 30, 1971, increased to £125,869 from the £97,205 of the corresponding period.

Assets attributable to Capital shareholders, including the full dollar premium were £4,657,162 (£3,541,223 at December 31, 1970) and asset value per capital share was 182½p (140½p).

G. Kent second half setback

ANNOUNCING a turnround from an attributable profit of £1,461,000 to a loss of £504,000 the George Kent group of industrial instrument makers, is omitting the final dividend for the year ended March 27, 1971. A 3 per cent. interim has already been paid, so this compares with the 11 per cent. total for 1969-70.

Turnover is lower at £35.98m. against £37.82m. Net loss is after tax, minorities, and exceptional items of £794,000 (£353,000) which included costs of extensive re-organisations.

At half way the group showed attributable profits up from £370,000 to £506,000, on sales of £17.33m. (£16.85m.).

The directors explain that the general slowing-down of business investment—particularly in large capital projects—made trading difficult. As a result, several companies failed to achieve their sales targets and increased profits arising during the second half fell short of expectations.

A recovery in the U.S. market for the Cambridge electron microscope came too late to influence the results; the consequent loss in American companies and more particularly in Cambridge Scientific Instruments resulting from low volume made a severe impact, they stress.

A further factor was the time lag before the group began to benefit from increased prices and other remedial actions to combat the inflation and rapidly rising costs. Profit was further reduced by a much "harsher attitude" to the valuation of slow moving stocks.

Policies initiated by Mr. J. Lutyens (appointed managing director during the year) took a major step forward at the end of January with the group re-organisation and elimination of operating divisions. In the past six months the U.K. payroll has been reduced by over 1,000 people without reduction in planned output, and factory space has been freed for disposal. At the same time introduction of new and profitable products has been accelerated, state the directors.

Actions taken are now bearing fruit; they report profitability is now firmly established on an upward trend, while liquidity has been more than maintained.

	1970-71 £000	1969-70 £000
Turnover	35,983	37,817
Trading profit	2,043	3,155
Interest charges	963	1,091
Profit	1,080	2,064
Exceptional items	794	353
Pre-tax profit	286	2,417
Taxation	616	816
Minorities	174	149
Attributable loss	504	*1,461
Preference dividends	18	18
Ordinary	229	840

The 1970-71 year's figures exclude Evershed and Vignoles group, whose sale was reported in the interim statement.

* Profit.

WHEATSHEAF

For the first 16 weeks of its current year, cumulative sales of Wheatsheaf Distribution and Trading were 17 per cent. up, reported chairman Mr. S. H. W. Pumphrey at the annual meeting. "At the present time costs appear to be more stable and we should thus be earning satisfactory profits," he added.

BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available whether dividends concerned are interims or finals and the sub-division shown below is based mainly on last year's time-table.

TO-DAY

Interims—Gallaher, Lloyds Bank, Robert H. Lowe, Midland Bank.

Finals—Ciro Pearls, Cohen and Wilks, Davy Ashmore, Economic Group, Edbro, LRC International, London and Midland Industrials, Moderna Moderna.

FUTURE DATES

Interims—	
Albion	July 28
Boddingtons Breweries	Aug. 18
Britannic Assurance	July 28
Broadstone Inv. Trust	July 27
River and Mercantile Trust	July 29
Ruo Estates	July 27
Thermal Syndicate	July 28
Finals—	
Balmoral (Ceylon) Estates	July 26
Braham Patterson and Benham	July 29
Dowty Group	July 26
Dubilier	July 26
Ellis and Everard	Aug. 2
Eva Industries	July 29
London Midland Associated Props.	Aug. 9
Lynton Holdings	July 27
Marryat Group	July 28
Melody Mills	July 28
Mining Supplies	Aug. 2
Property Security Investment	July 28
Regional Properties	Aug. 9
Renwick Wilton and Dobson	July 29
Tomkins (F. H.)	July 28
Vita-Tex	July 26
Westdock Group	July 27

*Amended.

Progress at Peter Dixon

A NUMBER of the factors on which the future of Peter Dixon and Sons (Holdings), the paper and packaging group, depended are already turning in its favour.

The Vertiforma machine has had a successful start-up and sales in the packaging division are buoyant and rising faster than expected. However, the Finnish pulp market continues to be weak and the associate company, British Tissues, is expecting a loss in its first half.

Outlining the group's position yesterday, Mr. Bernard Dixon, chairman, told shareholders at the annual meeting that trials had been carried out on presses of provincial newspapers with paper produced on the Vertiforma machine. These had proved satisfactory and he was confident the increasing output from the machine could be sold.

Mr. Dixon said the buoyant sales in the packaging division came before the Chancellor's recent measures. These should have an added effect, particularly in new qualities where there was spare capacity. The upward profit trend of the division continued.

Commenting on the loss indicated by British Tissues, Mr. Dixon pointed out there had not been sufficient time for the beneficial effects of rationalisation measures to be reflected. However, Dixon's representatives on the British Tissues Board had been assured that further corrective action had now been taken.

Mr. Dixon told members that following agreement of certain conditions in respect of joining the Common Market, particularly in relation to the duty free importation of wood pulp and the quota arrangements on newsprint, "we are in favour of entry." Efforts had already begun to ensure that advantages of the Common Market were taken.

VANGUARD ENGINEERING

Vanguard Engineering, an unquoted company engaged in machinery and commercial removals, and which is trading satisfactorily, wishes to make clear that it has no association with Vanguard Plant which as reported on Wednesday is a quoted company and the subject of a bid by Harvey Plant Holdings.

COMPANY NEWS IN BRIEF

SECOND SCOTTISH INVESTMENT TRUST—Gross investment income nine months to July 5, 1971, £1,303,900 (£1,360,000) before gross interest £194,900 (£242,000). Expenses £55,000 (£49,000). Market value of investments July 5 was £61,535,100 (£51,544,000) including full investment dollar premium £4,786,900 (£5,214,900). Net asset value 95½p (79p).

PILKINGTON TILES—(subsidiary of Thomas Tilling)—Financial year-end to be changed from September 30 to December 31 to coincide with Tilling. Expected that interim report, which will cover nine months to June 30, 1971, will be issued in October following publication of the Tilling interim report.

ENGLISH ASSOCIATION OF AMERICAN BOND AND SHARE HOLDERS—Interim 7½ per cent. (same—total 22½ per cent.). Gross revenue half-year to June 30, 1971, £51,500 (£47,400). Add interest and dividends £23,300 (£25,100). Pre-tax profit £25,000 (£22,900). Tax £7,200 (£7,800). Anticipated that gross revenue for year will be approximately the same as for 1970 but increased operating charges likely to result in lower net profit. A reduction in pre-tax profits will be partly offset by lower tax charge anticipated for year.

OCEANA LAUNDRY—Dividend 5 per cent. year to April 30, 1971 (same). Group profit £10,534 (£10,761) before tax £1,500 (£2,600). In deciding to recommend the dividend Board had regard to substantial sums set aside out of profits in the past, some part of which has now become available in cash by reason of sale of property. Forward £3,456 (£10,642).

METROPOLITAN GAS METERS—Sales half-year to March 31, 1971, £810,000 (£689,500). Profit £79,000 (£79,500) subject to tax £33,000 (£37,500). Increased costs and keener selling prices will have an effect on second half, but it is not anticipated there will be any significant change in full year's results compared with last year.

NEW EQUIPMENT (manufacturers and designers of tubular steel furniture)—Interim dividend 5 per cent. (same—total 12½ per cent.) for year to October 31, 1971. Profit for half-year to April 30, 1971, £41,794 (£35,326) before tax £12,500 (£16,000).

GLASS GLOVER GROUP—Interim dividend 13 per cent. (same—total 20 per cent.) for year to September 30, 1971. Trading profit for six months to March 31, 1971, £47,839 (£42,777), less depreciation £10,026 (£10,578), interest £17,975 (£13,867). Add other income £1,293 (£942). Profit before tax £20,931 (£19,234). Directors say trading during six months and during second half of year to date has been satisfactory. Despite rising costs annual profits will substantially exceed those of last year which were adverseley affected by national dock strike.

INDUSTRIAL MIDLANDS INVESTMENT TRUST—No final (nil) making 3½ per cent. (nil) for 1970. Gross revenue £11,654 (£11,850) before tax £655 (£530).

Consortium formed for Foulness dredging

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

A CONSORTIUM has been formed to bid for the dredging work involved in the creation of the projected third major airport for London at Foulness, Essex. Its members are the Costain Group, Taylor Woodrow International and the Anglo-Dutch Dredging Company.

A statement on behalf of the consortium yesterday said that member-companies had sufficient reserves of capacity to be able to cope with the Foulness operation and their other day-to-day activities.

The Costain Group, through Cobla (Costain-Blankevoort International Dredging Company), has been engaged in dredging and reclamation work on a world-wide basis for more than 20 years, and it recently completed a "mini-Foulness"-type operation in the Seychelles, where 250 acres were reclaimed from the sea for the construction of an international airport.

With the total estimated development cost of the Foulness Airport and its associated industrial and other projects (such as a possible seaport) set at more than £400m. over the next 10 to 20 years, many companies in British industry have already set their sights on winning a share of the work involved.

Orders sought

Already two major consortia of industrial companies have been formed to bid for rights to undertake the project—the Thames Aeroport Group and the Thames Estuary Development Company.

In addition, it was recently announced that another consortium of Belgian and Dutch dredging companies had been formed in a bid to get orders for a slice of the substantial reclamation work that the Foulness programme eventually will involve.

The British subsidiaries and associates of this Belgian-Dutch consortium include Westminster Dredging Company, HAM Dredging, Harbour and General Works, and Nash Dredging and Reclamation.

Wanted–1m. 5p gifts for Albert Hall

Financial Times Reporter

MOST of the financial troubles of the Royal Albert Hall would disappear if each of the 1m. visitors a year could be persuaded to donate 1s—"5p to you"—Sir Louis Gluckstein, the president, said yesterday.

He told the annual meeting in London that £335,000 had been collected in money and promises towards the public appeal for £500,000 to renovate the Hall.

The collection was "encouraging, but would certainly not justify any complacency," Sir Louis commented. He gave special mention to "the generous support" received from the Royal Family, from the Bernard Sunley Trustees "who gave us a magnificent £100,000," from the Greater London Council, Historic Buildings Council, and from the Pilgrim and Max Rayne Trusts.

Postal bookings for this year's Promenade season had been exceptionally heavy. A number of major projects to raise money were under consideration, but Sir Louis thought the Hall would have to look to the generosity of smaller donors.

Chartered surveyors back Market entry

FINANCIAL TIMES REPORTER

THE Royal Institution of Chartered Surveyors has come down in favour of Britain's entry to the Common Market.

In a statement released yesterday, the RICS anticipates "substantial opportunities" for its members, and believes the U.K. is more likely to export than import the services covered by surveyors.

A 200-page report—which took eight months to prepare—was presented to the last meeting of the RICS General Council, and set out the likely effects on surveyors of EEC membership.

One of the biggest problems is identifying and defining the equivalent profession, says the RICS. For example, the building surveyor has no direct counterpart abroad with his functions sometimes being discharged by the architect or by the building engineer.

Further research is needed on whether the absence of statutory backing for the surveying profession will put surveyors at a disadvantage in relation to their Continental counterparts, the General Council thinks.

It fears that "there may well be disadvantages in the arena of EEC Commission and Council discussions when directives governing the professions are drafted and approved."

The annual conference of RICS held last week was given over almost entirely to discussion of the Common Market.

Mr. J. Brendon George, RICS president, said the conference had "shown there is an opening for the chartered surveyor and his professional knowledge, but the profession must be prepared to promote itself in a competitive market."

More security in Market, workers told

MR. J. HUGH NEILL, chairman and managing director of James Neill Holdings, tool manufacturers, has written to each of his 4,500 employees telling them their jobs would be more secure if Britain joined the Common Market.

He points out that exports account for nearly 40 per cent. of the group's total sales and that trade prospects with the Common Market look brighter than with Commonwealth countries, where "prohibitive tariffs" exist. Enlargement of the Community would give the company a domestic market of 255m. people.

Mr. Neill sums up: "We do not claim that all the group's manufacturing interests would benefit alike from Britain's membership of the Common Market; indeed, some may suffer. But overall we see expansion if Britain joins and stagnation if it does not. Your employment, therefore, will be significantly more secure with Britain in the Common Market."

World ship order book up by 361

WITH THE current recession in shipping rates, and while some ships are being laid up, the world's shipowners, until recently at least, have continued to order new vessels at a high rate.

During the 12 months to the end of June, the world order book (excluding the USSR and China) for merchant ships of 2,000 d.w. tons and above increased by 361 ships, aggregating more than 32.5m. dw. tons according to statistics in the quarterly survey Ships on Order, published by the marine journal The Motor Ship.

There are 60 more tankers on order, totalling 16.38m. tons, than a year ago, while world orders listed in the survey show that 301 more ships—other than pure tankers—were on order than at the end of June, 1970.

The world order book now stands at a record 2,872 ships of 2,000 d.w. tons and above, aggregating almost 138.5m. tons.

The analytical tables in the survey suggest that Japan's lead in shipbuilding continues to increase with a current backlog of orders amounting to 700 ships, totalling 52.42m. tons. Second to Japan is Sweden, with 12.6m. tons on its order books, while in third place in the world shipbuilding league is Germany, with 8.95m. tons to build.

The U.K. has increased her vessels on order by 934,170 tons during the last year to 8.84m. d.w. tons to take fourth place, adds the survey.

Container transporter crane for Hull dock

BY JAMES McDONALD, SHIPPING CORRESPONDENT

THE PORT of Hull, which expects to increase its traffic considerably if Britain joins the Common Market, has completed the installation of a £231,000 40-ton container transporter crane at its new container terminal at Queen Elizabeth Dock.

The Hull container terminal—operated by British Transport Docks Board—can berth ships of up to 25,000 deadweight tons and has a total of 28 acres available for container marshalling. Containers of up to 40-feet being discharged will be picked up and taken to the stacking areas by five straddle carriers.

Two shipping line customers have already announced that they will operate regular container services from the terminal. North Sea Ferries will run five sailings a week from the dock to Rotterdam in addition to its regular roll-on, roll-off ferry services from Hull. Its first containership, Norbank, comes into service in October, followed by a second early next year.

Meanwhile, the terminal will be used by the weekly Hull-Rostock service of the East German Deutsche Seereederei, whose container ship Dierhagen will transfer from her temporary berth in Albert Dock.

The container terminal is the eighth specialised terminal provided by the Docks Board at Hull for unit load traffic. At present, Hull offers 30 specialised unit sailings every week to six countries in Europe.

With the five additional sailings from the new terminal and the prospect of more to come the port believes it is well placed to increase its present 1.05m. tons annual total of unitised cargo if Britain decides to join the Common Market.

Ford introduces new 10-ton truck range

FORD of Britain has introduced an improved range of D1010 trucks offering the delivery trade operator a low platform height for easier, faster loading. One feature of the "10-tonners" is 17-inch wheel and tyre equipment to give a 3-inch lower loading height and an improved body and payload allowance of almost 2 cwt. Base prices remain unchanged.

The new features have been particularly welcomed by operators engaged in the bottling industry and similar trades, for whom the improved models have been specially developed. The D1010 is available on a 120-, 134- or 156-inch wheelbase chassis.

Safeguard for public company shareholders

By Michael Blanden

A NEW safeguard for shareholders in public companies is suggested in the latest issue of The Accountant, the weekly accounting magazine.

The paper suggests that auditors, at least of public companies, should be required to report to the Department of Trade and Industry "in the event of their being unable to form a professional opinion upon accounts within a reasonable time of those accounts becoming due."

It is suggested that "it takes longer to prepare bad accounts than good ones, and delay in the appearance of figures is often a cause for suspicion." Therefore, it is argued, a useful element of protection would be given if the DTI were informed of abnormally delayed accounts.

"Such a provision, no doubt, would need both careful drafting and discreet implementation." But it is argued that long-delayed accounts, however fair for the time to which they refer, are irrelevant and sometimes positively misleading at the time they are produced.

BANK RETURN

—	Wednesday July 21 1971	Inc. + or dec. — for week
LIABILITIES	£	£
Capital	14,553,000	—
Rest	3,054,662	—
Public Deposits	15,284,135	+ 4,014,414
Special Deposits	402,000,000	—
Other Deposits	503,748,812	+ 50,174,060
Bankers	223,147,929	+ 18,700,226
Other Accounts	280,600,883	+ 31,473,834
	938,640,609	+ 54,188,474
ASSETS		
Govt. Securities	739,452,712	+ 57,100,000
Other Securities	185,163,184	+ 6,151,616
Discounts and Advances	100,336,986	+ 2,877,405
Securities	84,826,198	+ 3,274,211
Notes	12,898,827	— 8,909,930
Coin	1,125,756	— 153,212
	938,640,609	+ 54,188,474
Reserve	14,024,713	— 9,053,143
Ratio	1.5	— 1.2
Bank Rate	6%	—
ISSUE DEPARTMENT		
LIABILITIES	£	£
Notes Issued	3,800,000,000	+ 25,000,000
In Circulation	3,787,101,073	+ 33,909,930
In Bank's Depts	12,898,927	— 8,909,930
ASSETS		
Govt. Debts	11,015,100	—
Other Govt. Secs.	3,424,645,150	+ 17,295,334
Other Securities	364,139,750	+ 7,764,666
Non-Gold Coin	200,000	— 60,000
	3,800,000,000	+ 25,000,000

Duke officially opens new Scottish SE

BY ANDREW HARGRAVE, SCOTTISH CORRESPONDENT

GLASGOW, July 22.

THE NEW SCOTTISH Stock Exchange, which for the past three months has enabled all Scottish trading to be carried out on a single "floor," was officially opened by the Duke of Edinburgh here to-day.

"Now that Scotland has all the necessary facilities for a modern exchange," the Duke said, "I have no doubt that the members will put them to the most profitable use, both for themselves and their customers, as well as for the commerce and industry they serve."

The Stock Exchange, he added, housed "one of the absolutely essential elements in our whole industrial and commercial system. England may have been a nation of shopkeepers: but as soon as Scotland discovered the advantages of Stock Exchanges, people demonstrated that in this, as in so many other markets, their natural shrewdness and good business sense could hold their own with all comers."

Trading at the Exchange began in April, when the reconstruction of the 127-year-old building was completed. The Exchange, which now combines all local exchanges in Scotland, has 192 members operating from 33 stockbroking firms. Last year's turnover was £450m.

Before the opening ceremony, the Duke met Sir Isidore Walton, chairman of the Scottish Metropolitan Property Company, which was responsible for the development, and Mr. A. Dickson Moore, chairman of the Stock Exchange. The Duke also visited Glasgow police headquarters.

The Japanese stock market assessed

In the Investors Chronicle this week there is an assessment of the Japanese stock market after its recent sharp climb. It is pointed out that price-earning multiples in Tokyo are still well below those in London and Wall Street.

Although with a different financing structure in Japanese companies and a market more speculative in character there is no case for assuming that p/e ratios will soon approach western levels, some narrowing of the differential looks likely.

This week's issue also includes a comprhensive survey of the economic and market implications of Mr. Anthony Barber's reflationary package.

Shell to launch wildlife sales promotion scheme

FINANCIAL TIMES REPORTER

ONE OF the biggest sales promotion schemes devised by Shell-Mex and B.P. is to be launched at 4,000 Shell petrol - stations throughout Britain on August 5.

The promotion, which is expected to last for three months, is the biggest since the Shell "Make Money" competition of 1966 in which customers won prizes by matching up facsimiles of banknotes.

The latest promotion is different in emphasis from the earlier one. It will publicise the aims of the World Wildlife Fund, and the intention is that it will promote petrol sales at the same time as emphasising Shell's concern for the environment.

Mr. H. B. Greenborough, managing director of marketing for Shell-Mex and BP, has received best wishes for the promotion from Prince Philip in his capacity as president of the British National Appeal of the World Wildlife Fund.

17m. letters

The company hopes to reach 85 per cent. of the motoring public by sending out 17m. letters to motoring families outlining the details of the scheme.

At filling stations, customers will receive free colour pictures of animals and will be able to build up a collection of 16. The first batch of 10m. pictures arrived from Japan by air yesterday and two more plane-loads will follow.

In addition, 250,000 albums for the pictures have been produced in Britain and will be sold at filling stations at 25p each. Another 5m. simpler albums will be given away free.

The company is not revealing the cost of the promotion but it is understood to run into several hundred thousand pounds.

BEA Cargo Division 'on company basis'

By Michael Donne

British European Airways Cargo Division is to be reorganised more on "commercial company" lines.

An Advisory Board has been set up under the chairmanship of Captain J. W. G. James, to advise on all aspects of the Division's affairs, from staffing to production. Captain James is an Executive Board member of BEA.

"This is an attempt to get as near as possible to running the Cargo Division as a company," Captain James said this week. "I am trying to introduce the procedures and disciplines that go with putting the Division on a company basis.

"The various Divisions (in BEA) were set up to concentrate management on particular parts of BEA's business. As chairman of BEA Helicopters, I have seen the results that come from establishing a relationship between the main BEA Board and a subsidiary company through a subsidiary Board, so that is what I am bringing to Cargo. It is a good way to do business."

Roads chief wants BR to stop ad. campaign

BY ARTHUR SMITH

SIR GEORGE MIDDLETON, chief executive of the British Industry Roads Campaign, yesterday urged Mr. John Peyton, Minister for Transport Industries, to halt British Rail advertising which claims that a stretch of motorway costs nearly 100 times as much to build as a similar stretch of railway.

Speaking at Southampton, he said he believed it quite improper for a nationalised industry to mount a campaign of that kind "against a declared Government policy."

He hoped the "knocking" by BR would be called off. If necessary, the Minister for Transport Industries should step in and put an end to the advertisements.

The railways still had a vital part to play, Sir George declared, pointing out that some freight could not be carried economically by road, and that private transport could not cater adequately for journeys to work in big cities. Nevertheless, 90 per cent. of all freight tonnage and passenger movement was now carried by road, Sir George agreed.

A BR spokesman commented: "It is quite ridiculous to suggest that we are using national advertising to 'knock' road building or to embarrass the Government into giving us more money."

Ulster grants for 'new job' families

By Our Own Correspondent

BELFAST, July 22.

MR. ROY BRADFORD, Northern Ireland Minister of Development, to-day announced a Government grants scheme to encourage people in Belfast to move to the development areas.

Under the scheme £120 grants would be paid to households agreeing to move. A further £50 would be paid where the household moved into a new subsidy house in the receiving area.

The Minister, speaking at the opening of an advice centre for the scheme, said the chief priority was a movement from Belfast to Antrim, Bangor, Carrickfergus, Craigavon and Newtownards.

The aim was to encourage the building-up of population in those towns in order to provide new jobs.

Bankruptcy discharge for metal dealings man

DEBTS of Dr. Tevhit Camoglu "come to the startling total of £1.15m.," said Mr. Registrar Hunt at London Bankruptcy Court yesterday.

The liabilities had resulted from Dr. Camoglu's activities on the Metal Exchange, said the Registrar.

But he granted Turkish-born Dr. Camoglu an immediate discharge from his 1965 bankruptcy on condition that he submitted to judgement for £2,000 payable by instalments. Prolonging the bankruptcy would not affect the dividend to creditors.

"Money lost"

"What's been done has been done, and the money has been lost," said the Registrar.

Dr. Camoglu, now working in France, originally applied for discharge in 1968, but it was refused.

The Registrar said assets had realised enough to pay a preferential debt of £110 and there was about £1,276 to be divided among the unsecured creditors.

Referring to Dr. Camoglu's activities on the Metal Exchange, the Registrar said it appeared that the rules of the Exchange required brokers to obtain 10 per cent. deposits on contracts. That did not appear to have been observed.

"Since those people concerned in the Exchange are the main creditors, one feels perhaps that to some extent they were authors of their own misfortune," said the Registrar.

If Dr. Camoglu had been able to continue his operations on the Exchange, he might have emerged in a few years' time as a rich man. But a dispute arose with a broker and his activities were stopped.

LATEST WILLS

	Net
Mr. G. H. Whitehill, of London, W.9, a member of the London Stock Exchange, left £89,094 gross (duty £40,179)	£86,979
Captain E. Littledale, of Pluckley, Kent, retired manager of Iraq Petroleum Company, left £74,693 gross (duty £32,353)	£68,460
Lady J. F. V. Lascelles, of Kensington Palace, London, W.8, private secretary to King George VI from 1943 to 1952 and to the Queen from 1952 to 1953, left £45,898 gross (duty £12,433)	£45,577

APPOINTMENTS

Mr. Iden to join Imperial Tobacco Group Board

Mr. G. A. Iden, joint assistant managing director of John Player and Sons, has been appointed to the Board of IMPERIAL TOBACCO GROUP from September 1.

It was announced in January that Mr. Iden will become chairman and managing director of John Player and Sons on the same date.

Mr. G. A. Iden

*

Following upon the acquisition of 93 per cent. of Metropolitan Railway Country Estates shares by Guardian Royal Exchange Assurance, the Board of MRCE has been reconstituted and all directors having resigned with the exception of Mr. W. M. Balch and Mr. C. S. Piper.

The new Board is: Mr. F. J. H. Brackett (chairman), Mr. Piper (managing director), Mr. Balch, Mr. E. F. Bigland and Mr. E. P. Greenfield.

*

Mr. Ernest Hubball and Mr. Peter Samuels have been appointed deputy managing directors of C. BRYANT AND SON. Mr. Hubball will be responsible for building contracting production, and Mr. Samuels for civil engineering.

Mr. Eric Gould has been made deputy managing director of BRYANT HOMES. Both companies are subsidiaries of Bryant Holdings.

*

Mr. Peter Yorke has resigned from the Board of ADVANCE LAUNDRIES because of his impending retirement.

*

Mr. O. F. Sebesta has been elected president of TEXACO PRODUCTION SERVICES.

*

Mr. C. F. Williams, who is managing director of Shipton Assurance and Financial Advisory Services, has also been appointed managing director of SHIPTON INSURANCE SERVICES and KEITH SHIPTON AND POTTER. Mr. J. K. Shipton has been elected chairman of these two companies

*

Mr. Erik Wilkinson, a member of the Board of UNIVERSAL PRINTERS, has been appointed chief executive of the newly-formed carton division. This division consists of Alf Cooke and Norbury Printers.

*

Mr. F. J. Bradbury has been appointed managing director of THOR TOOLS, a U.K. subsidiary of Thor Power Tool Company of the U.S., members of the Stewart-Warner Corporation. Mr. Bradbury will direct the manufacture and marketing throughout Great Britain of all Thor power products. He succeeds Mr. Irving Danielson, who has been made general manager of Thor Power Tool Division in the U.S.

Mr. Curtis W. van Allen becomes manager of international operations for Thor Power of the U.S.

*

Mr. P. D. E. Bergqvist has joined the Board of EUCALYPTUS PULP MILLS

*

Mr. G. W. Odey, Mr. D. A. Clifton, Mr. P. W. Taylor and Mr. N. B. Copp have been appointed additional directors of S. NOTON.

Mr. Odey becomes chairman, and Mr. Clifton vice-chairman in place of Mr. H. M. White and Mr. M. B. McFall who tendered their resignations as chairman and vice-chairman respectively. Mr. White will continue as managing director and Mr. McFall as an executive director of the company.

Mr. Thomas Caddick has been made joint secretary with Mr. R. V. Habgood. The moves follow the recent acquisition of the company by Barrow Hepburn and Gale.

*

Mr. D. J. Willson, the solicitor to the Board of CUSTOMS AND EXCISE, will be retiring from the public service on October 31. He will be succeeded by his present principal assistant solicitor, Mr. G. Krikorian.

*

Mr. G. T. Gough, managing director of Gough and Co. (Hanley), has been elected chairman of the BRITISH CERAMIC PLANT AND MACHINERY MANUFACTURERS' ASSOCIATION in succession to Mr. F. J. Rankin, chairman of Auto Combustions (London). Mr. D. J. Yates, managing director of Bason and Sons, a subsidiary of Gibbons Bros., becomes vice-chairman of the Association.

*

Mr. R. A. Fleming has been appointed director of exhibitions division at the CENTRAL OFFICE OF INFORMATION, succeeding Mr. E. W. Swaine, who has retired

*

Mr. Dennis Landau has been appointed to the Board of CADBURY SCHWEPPES OVERSEAS. Mr. Landau was formerly the managing director of the grocery foods division of Cadbury Schweppes Foods which has been absorbed into the foods group following the creation of McVitie and Cadbury Cakes.

*

Mr. George P. Kidd, formerly vice-president of the Canadian International Development Agency, has been appointed managing director of the COMMONWEALTH FUND FOR TECHNICAL CO-OPERATION, a major venture in multilateral aid to Commonwealth countries.

*

Following the acquisition of BRIGHTSIDE ENGINEERING HOLDINGS by Jessel Securities Mr. S. V. Jackson has resigned as managing director of Brightside Heating and Engineering Company and from the Boards of T. Porter (Pipework) and Brightside Kilpatrick Engineering Services.

*

Mr. H. F. Gauker has been appointed managing director of AJAX MAGNETHERMIC (U.K.). He succeeds Mr. P. L. Lowrie who is to take up a new appointment with the parent organisation in the U.S. Mr. A. S. Leary join[s] the Board as engineering direc[tor].

*

Mr. G. J. T. Richards has bee[n] appointed to the Board of LUN[T] COMLEY AND PITT Mr. Richar[ds] is managing director of LC[P] Properties and the other proper[ty] companies within this division

The LCP Properties Board ha[s] been re-constituted as follow[s]: Mr. R. D. Pitt, chairman; Mr. J. Hickman, Mr. G. J. T. Richard[s] managing; Mr. D. M. Rhea[...] financial; and Mr. S. Morley, ma[r]keting.

*

Mr. Barrie Heath, a PILKINGTON BROTHERS director a[nd] chairman of the safety glass div[i]sion, has been appointed chai[r]man of the group's glass fib[re] division and of Fibregla[ss] Limited, a group company. M[r.] Leslie Wall, a director and leg[al] adviser of the group, has bee[n] made a director of the glass fib[re] division and of Fibregla[ss] Limited.

Mr. Heath takes over the chai[r]manships from Sir Alastair P[il]kington who was recently a[p]pointed deputy chairman of t[he] group.

*

Mr. Alan Patrick has been a[p]pointed to the Board [of] the ASSOCIATED PORTLAN[D] CEMENT MANUFACTURERS [as] finance director, from Novemb[er] 1.

*

Mr. Graham Morgan has be[en] elected managing director a[nd] Mr. John Arnold assistant mana[g]ing director in the U.K. of t[he] WRIGLEY COMPANY.

*

Mr. Geoffrey Kohn, followi[ng] his resignation from the Midlan[d] and Western Stock Exchange, h[as] been elected a member of t[he] Provincial Brokers Stock E[x]change. He is now associat[ed] with Cotterell and Co., of Bour[ne]mouth.

*

Mr. George Cantlay, who h[as] been a member of the Board [of] CAMBRIAN AIRWAYS since 19[..] has been appointed chairman [of] the company. The previous cha[ir]man, Mr. John Davies, died [in] April.

*

FIRST WOMAN TO BE RIBA VICE-PRESIDENT

The ROYAL INSTITUTE OF BRITISH ARCHITECTS h[as] elected its first woman vice-pre[si]dent. She is Miss Nadine Be[d]dington, an architect in priv[ate] practice in London, who has be[en] elected for the institute's 1971-[72] session.

Miss Beddington is only t[he] second woman architect to ser[ve] on the council of RIBA who[se] corporate membership numb[ers] some 180,000 of which about [..] per cent. are women.

The other new vice-presiden[ts] are Mr. W. D. Lacey, chief arc[hi]tect at the Department of Educ[a]tion and Science, and Sir Stir[rat] Johnson-Marshall, a senior pa[rt]ner in the firm of Rob[ert] Matthew Johnson-Marshall a[nd] Partners.

*

STOCK EXCHANGE PARTNERSHIPS

Mr. George Miller has be[en] taken into partnership wi[th] CHAPMAN AND ROW[E] (brokers).

Cadbury and United Biscuits set up joint cake company

BY DAVID WALKER

THE MERGER of the U.K. cake interests of Cadbury Schweppes and United Biscuits was formalised yesterday with the creation of McVitie and Cadbury Cakes, a joint company in which the two groups hold equal stakes.

A preliminary announcement of the intended move was made last December, when it was stressed that no further integration of the two companies was planned.

The new operating unit will have sales of about £25m. a year, second only to the £27m. a year achieved in the £100m. packaged cake market by J. Lyons.

Both Cadbury Schweppes and United Biscuits will be contributing roughly similar amounts to that combined turnover, with United Biscuits perhaps slightly in the lead.

Their individual cake lines are largely complementary. That has obviously been a major factor in making the merger attractive to both, as must have been the prospect of combining their van sales forces. The strength of those is a key factor for success in servicing the grocery trade with a highly perishable product.

Important move

United Biscuits has around 350 vehicles, while Cadbury Schweppes operates about 250. With distribution costs in the industry about 20 per cent. of net sales value, the move will be important, too, in cutting overheads as a result of the increased range of cakes carried by the new company.

The merger could well prompt further rationalisation elsewhere in the packaged cakes industry. It seems inevitable that chang[es] in the present operations of t[he] two formerly separate business[es] will follow soon.

That question was now comi[ng] under close study, Mr. Hect[or] Laing, managing director [of] United Biscuits, who has be[en] appointed chairman of McVit[ie] and Cadbury Cakes, disclos[ed] yesterday.

The operation would be able [to] offer "better quality produ[cts] and greater value than the t[wo] companies would have been ab[le] to do separately," he maintaine[d].

Mr. Robert Clarke, of Cadbu[ry] Schweppes Foods, is managi[ng] director and chief executi[ve]. Other members of the Board a[re] Mr. R. N. Wadsworth and Mr. G. Collyer, of Cadbury Schwepp[es] and Mr. J. P. Mann, of Unit[ed] Biscuits.

Ocean Steam orders £25m. natural gas carrier

BY JAMES McDONALD, SHIPPING CORRESPONDENT

THE OCEAN Steam Ship group—through a subsidiary Odyssey Trading Company of Bermuda—has placed a £25m. order with the French shipyard, Chantiers de l'Atlantique of St. Nazaire, for a 120,000 cubic metres capacity liquid natural gas carrier.

The ship is for delivery at the surprisingly advanced date of June, 1977. At the same time, it was announced yesterday that a similar natural gas carrying ship had been ordered from the same French yard by Zodiac Shipping NV—a subsidiary of Holland's largest shipping group, Nederlandsche Scheepvaart Unie—for delivery in 1976. Zodiac already owns one petroleum gas carrier and has another on order.

Odyssey and Zodiac, said t[he] Ocean Steam announcement, a[re] considering establishing a joi[nt] venture to market the LN[G] vessels on "life-long charters."

The announcement also su[g]gested that the final cost of t[he] two ships—due to cost escalati[on] clauses in the building contracts—could be about £50m.

Negotiations for the charter [of] the two ships are already bei[ng] discussed, said an Ocean Stea[m] spokesman last night, but [he] declined to name the possib[le] charterers.

Each ship will be equivalent i[n] size to a 55,000 deadweight to[n] tanker with a length of 274 metr[es] —about 900 feet. They will b[e] powered by Atlantique-Stal Lav[al] steam turbines giving speeds [of] 19 knots.

The French yard at present [is] building five similar vessels an[d] this could be the clue to th[e] decision by the British and Dutc[h] shipowners placing the contrac[t] there. The building of the[se] ships is a highly-specialised trad[e] with only a few yards in Franc[e], Norway, Sweden, Italy and Britai[n] able to deal with such work. Th[e] British yards of Vickers and [of] Harland and Wolff were co[n]sidered before the contract wa[s] placed, said the Ocean Stea[m] spokesman.

Europe service centres next step for Avis

BY SHEILA BLACK

THE next step in Avis expansion in Europe lies in the building and provision of service centres.

This was the gist of comments yesterday by Mr. Joseph Vittoria, the vice-president and general manager of the International Division of Avis Rent-a-Car, based in the U.K. Avis is a subsidiary of International Telephone and Telegraph Corporation of America.

"Labour has become the real problem, especially in countries like Spain and others in Europe. We are developing large service centres near major airports—something over 60 per cent. of our business is done at airports and the cars were just not being got ready for rehire fast enough," said Mr. Vittoria.

The company had gone a "good deal of the way towards having paid off the cost of these developments, which are regarded as essential to growth."

The Avis group operates at nearly 900 airports covering some 80 countries. Mr. Vittoria, who started his own car-hire business in Rome before becoming general manager for Avis in Italy, has succeeded Mr. Colin Marshall here. Mr. Marshall was promoted this spring to the executive vice-presidency in New York.

The Property Market

BY MICHAEL O'HALLORAN

Office plan revealed by Southwark

SOUTHWARK has at last produced it draft strategy plan for the London Bridge area and Thames-side—a document which the property world has awaited with no small interest. The kernel of the plan is a proposal for a net office increase of 5.6m. *square feet at a plot ratio* not exceeding 1½:1. Office development outside of the strategic area will be restricted to third schedule rights, that is existing use plus 10 per cent. However, the zoning is such that joy in the Hay's Wharf camp must be matched by some consternation at Wharf Holdings.

All of Hay's Wharf is included in the Central Area "West End and City" zoning, which permits offices and hotels. The full zone stretches in a thin belt along the river from Tower Bridge to a point just west of Blackfriars Bridge. Only the Elephant and Castle is accorded a similar status. Land to the east of Tower Bridge—which includes Wharf Holdings' property—is the most uninteresting of all. The map dismisses it as being either "primarily residential use, both comprehensive and small-scale re-development," or existing residential areas needing general improvement.

I suppose that Wharf might fight and eventually win permission for a small office content, but any talk of major commercial redevelopment east of the bridge must now seem very optimistic. There should be no regrets in Christopher Selmes' mind about his decision to sell out to Sterling Guarantee. (He is also very busy with another property project on the City fringes, about which we should hear more within the next two weeks.) And with the market so busy watching share deals and bids, the fact might have been overlooked that Wharf has sold its 105,000 square feet of warehousing space in Backchurch Lane to Augustus Barnett, one of the tenants. Jones Lang Wootton are the agents.

Southwark's ideas do hold out some hope for the many developers who have acquired sites away from the river. Secondary Central area zoning has been accorded to the two strips of land which join Blackfriars and *London Bridges to the Elephant* and Castle. There might also be warehousing opportunities north of Abbey Street. However, there must be a high risk element in these areas until the final plan is approved.

Plans such as this one certainly help to build-up some idea of the future office pattern. Incidentally, the ODP figures show that permissions for the City of London alone totalled almost 12m. square feet during 1968-1970—over 5m. square feet of it representing a net increase—and this year could well show another important increase. The *net increase approved* for Central London during the first quarter of 1971 was over 2m. square feet. All we need now is some rapport between the Government and the GLC, for the approaching situation of ODP's having a dubious value because of council "planning" ideals is surely a ludicrous one.

Some suggestions about the distribution of the GLC's 17m. square feet suburban office allocation for 1972-1976 have been made by Tim Wacher of London Transport. He puts Hammersmith at the top of the list with 2m. square feet, followed by Harrow, Hounslow, Wembley Park, Golders Green, Finchley Central, Wood Green and Stratford. Wimbledon and Ealing—the two which I would choose above most others—are also favoured.

MEPC buying more offices

Taking scant notice of the take-over rumours which get wilder as time goes on, MEPC is busily adding to its London office portfolio. It has just paid almost £1m. to City Commercial Properties for a group of freehold properties which include one office block in Philpott Street, E.C.1, and another in Commercial Road. The total of 50,000 square feet is all let to the Government. Considering that the blocks are fairly modern, and that there are reviews to come, the price looks interestingly low. Cyril Leonard acted for the sellers, while MEPC was represented by Wright and Partners in conjunction with Roger Philips and Co.

Knightsbridge Green may not be the most popular name to mention at Edger, but it produces smiles at Chaucer Estates. The company recently bought Dictaphone's lease of 12,000 square feet on the first floor, and it has let the space to Texaco for £63,000 per annum. Agents *involved were Fairbrother* Ellis and Co., together with Hillier Parker May and Rowden. Thinking about Knightsbridge, Capital and Counties has bought 32-44, Hans Crescent, from Harrods. This was the last piece of the jigsaw, and the company now owns in its entirety the £15m. island site bounded by Brompton Road, Basil Street and Hans Crescent.

Wates Developments has started renovation work at 3 Copthall Buildings — a prime pitch between Throgmorton Street and London Wall. By adding another floor, the block will eventually offer 17,000 square feet of air-conditioned space, but this is not yet being marketed openly. Wates, which is acting in association with Phoenix Assurance, is advised by Jones Lang Wootton and Richard Ellis and Son.

Grendon Securities' £4m. property deals

THREE Central London properties and a major industrial estate are included in property deals worth about £4m. now being undertaken by Grendon Securities.

First, planning permission has been obtained for the modernisation of a 20,000 square feet block in Bishopsgate. The company has also bought the freehold of M. Hohner's former headquarters in Farringdon Road, and it intends to let the 10,000 square feet of space after modernisation.

The third acquisition involves one of the few remaining redevelopment sites in the Baker Street area. Grendon has bought a ½-acre site at the corner of Paddington Street, Chiltern Street and Kerwick Place. The company says that another office deal in the Victoria area will also be an*nounced shortly.*

Grendon is to undertake its largest industrial scheme—a 525,000 square feet estate at Eastleigh, Southampton. This former British Rail property is currently being renovated, and the first units are scheduled for letting next spring. Grendon states that it has already received inquiries from major space users, because the difficulty in obtaining industrial development certificates is making space scarce in the Southampton region.

OUT AND ABOUT

How much vacant industrial *space is there within the* Greater London area? According to Mr. Robert Vigars, Chairman of the GLC's Strategic Planning Committee, the total is "probably" as much as 25m. square feet. This figure represents virtually a 10 per cent. vacancy factor, which is perhaps more than the market might suspect. When the current land use survey is completed, we should get the statistics on a borough by borough basis.

● Another decentralised rent for the market to ponder upon—around £3 per square foot in Hounslow. This is the figure agreed by GAF (Gt. Britain), which is moving from SW1 into the 13,600 square feet office block in Lampton Road which Grosvenor Estate Commercial Developments bought a year ago for modernisation. The margins must look attractive, especially as there is room for a 21,000 square feet extension. The agents, Jones Lang Wootton, are now looking for a tenant to support an ODP application.

● The same agency has also been helping to raise money for Mac Fisheries. Sixteen branches, mostly freeholds in the London suburbs and the South—have been sold for almost £250,000 to Crusader Insurance, subject to a long lease-back. Herring Son *and Manners were also involved.*

● The latest agency man to wend his own way is Paul Booth, who joined Clive Lewis and Partners almost two years ago to form what is now a very active office department. As of Monday, he will be operating from 75 New Bond Street, concentrating upon Central London renovation and redevelopment projects.

INDUSTRIAL & BUSINESS PROPERTY

BOOTS PENSION FUND

requires first class investments in

OFFICE, INDUSTRIAL, SHOP PREMISES AND AGRICULTURAL LAND

outright purchase or lease back

development schemes financed

details to retained surveyors

JONES LANG WOOTTON

Chartered Surveyors
103 Mount St. London W1Y 6AS
Tel: 01 493 6040 Telex: 23858

Brook Street W.1.

Self contained office building 8289 sq ft to let

Extensively refurbished incorporating many modern amenities situated on almost an island site with frontages to Brook Street, South Molton Street and South Molton Lane

apply sole agents

EDWARD ERDMAN & CO.

6 Grosvenor Street, London W1X 0AD Tel: 01-629 8191

Why not decentralise your office to Poole?

FIRST NATIONAL COMMERCIAL PROPERTIES LTD.

propose to develop a prestige office building in the High Street to be known as **Orchard House** which will comprise about **73,000 Sq. Ft.** on nine floors which can incorporate a tenant's specific requirements & a Multi-Storey Car Park.

On the top floor of the building it is intended to provide a Directors Suite affording panoramic views over Poole Harbour and the sea.

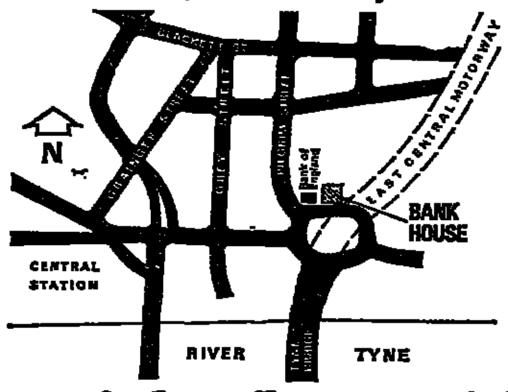
Full details and illustrated brochure on request from Joint Letting Agents

Hillier Parker May & Rowden
77 Grosvenor St. London W1A 2BT
Telephone 01-629 7666

FOX & SONS
44-52 Old Christchurch Rd., Bournemouth
Tel: Bournemouth 24242

A TRAFALGAR HOUSE DEVELOPMENT IN THE NORTH EAST

Bank House, Newcastle City Centre



30,000 sq. ft. of new office accommodation

Joint agents

Storey, Sons & Parker
Higham House, New Bridge Street, Newcastle
Telephone 0632 26291

Hillier Parker May & Rowden
77 Grosvenor Street, London W1A 2BT
Telephone 01-629 7666

TO LET

MODERN OFFICES AT FOLKESTONE KENT...

Gateway to Europe

MAJESTIC HOUSE

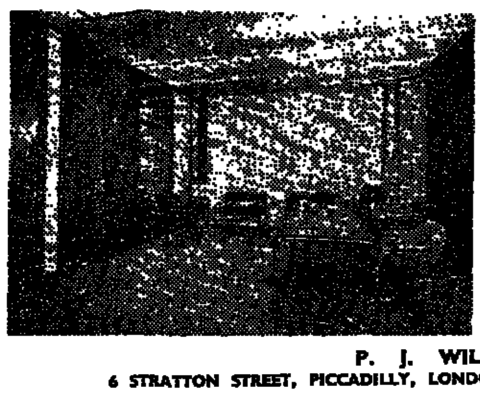
Available July 1971
Up to 34,000 sq. ft. net

Possible expansion to 80,000 sq. ft.

Smith-Woolley & Perry
Chartered Surveyors,
43, Castle Hill Avenue, Folkestone, Kent.
Tel (STD 0303) 57191

AN EDGER INVESTMENTS LIMITED DEVELOPMENT

HOW TO SET UP SHOP OPPOSITE THAT WELL KNOWN STORE IN KNIGHTSBRIDGE



50 HANS CRESCENT, S.W.1, FACES HARRODS. IT OFFERS 6,500 SQ. FT. OF SUPERB PRESTIGE OFFICE SPACE ON THE FIRST FLOOR. A PATCH OF GREEN CALLED HYDE PARK JUST DOWN THE ROAD, AND THE PICCADILLY LINE ON THE DOORSTEP.

THE PREMISES ARE ARRANGED AS 26 ROOMS. THESE INCLUDE AN IMPRESSIVE RECEPTION AREA, A CINEMA AND A "LUCKY" CONFERENCE ROOM—SCENE OF THE SUCCESSFUL TAKE-OVER BID WHICH NOW RENDERS THE OFFICES VACANT. THERE'S A PASSENGER LIFT IF YOU CAN'T MANAGE THE ONE EASY FLIGHT OF STAIRS, FULL CENTRAL HEATING, AND SEALED CORK FLOORING TO HELP STAMP OUT NOISY FEET.

VACANT POSSESSION RIGHT NOW. THE EXECUTIVE SHOWER IS READY AND WAITING. AND YOU CAN BUY A TOWEL VERY EASILY AT THE DRAPERS ACROSS THE ROAD. FOR THE SOFT SOAP, JUST CONTACT DON DUVAL FOR DETAILS . . .

P. J. WILLIAMS & CO.,
6 STRATTON STREET, PICCADILLY, LONDON W1X 5FD. Tel. No. 493-4164/3024.

Factories & Warehouses Central London

COMMERCIAL ROAD, E.1.
3,500 sq. ft.
New single storey warehouse/light industrial building. Central heating. Good loading.
RENT £2,700 p.a. excl.
(ANOTHER UNIT AVAILABLE)

OLD STREET, E.C.1.
3,700 sq. ft.
Substantial self-contained industrial building. Internal goods hoist. Good loading facilities.
LEASEHOLD £15,000

COMMERCIAL STREET, E.1.
5,500 sq. ft.
Third floor in substantial industrial building. Central heating. Concrete floors. Goods and passenger lifts.
RENT £2,475 p.a. excl.

FINSBURY SQ., E.C.2. (close)
6,100 sq. ft.
Warehouse floors in modern building. Central heating. Passenger/goods lift.
RENT £7,500 p.a. excl.

ROTHERHITHE TUNNEL, E.14 (close)
6,250 sq. ft.
5 year old single storey warehouse depot. Fitted offices and fine flat with river views.
LEASE FOR SALE

THE HIGHWAY, E.1. (close)
9,225 sq. ft.
Modern factory building, loading bay, oil fired central heating.

HOLBORN, W.C.1.
7,100 sq. ft.
Distribution Depot. Part with alarm facilities. Very good yard space.

FINSBURY SQ., E.C.2. (close)
11,300 sq. ft.
Basement. 12' headroom. Clear space. Passenger and goods lift. Loading bay.
RENT £6,500 p.a. excl.

WAPPING, E.1.
Riverside warehouse up to 42,000 sq. ft. including ground floor of 7,000 sq. ft.
DETAILS ON REQUEST

18/25 Eldon Street,
London EC2M 7QE
Tel: 01-638 8001

Chamberlain & Willows

Knight Frank & Rutley

INDUSTRIAL PROPERTIES TO LET

A development by Brixton Estates Ltd.

EDGWARE
99,000 AND 137,000 Sq. Ft.
TWO PRESTIGE FACTORIES
IMMEDIATE POSSESSION

A development by Ravenseft Industrial Estates Ltd.

WEST LONDON
30,000—275,000 Sq. Ft.
FACTORY/WAREHOUSE UNITS
NO IDC REQUIRED

20 Hanover Square London W1R OAH Tel 01-629 8171 Telegrams Knitefrank London W1R OAH Telex 265384 and at Hereford

---

Preliminary Announcement

Lease for sale
by Order of the Receiver

Hunts Club Ltd.
17 Upper Grosvenor St. W.1

Prestige Premises

between
Park Lane and Grosvenor Square
Of special interest to Companies, Institutions, Embassies etc.
(subject to all necessary consents)

Sole Agents

Hillier Parker May & Rowden
77 Grosvenor Street, London, W1A 2BT
Telephone: 01-629 7666

To Be Let

OR FOR SALE

Hayes
Middlesex

New single storey warehouse with offices

36,000 sq. ft.

Sole Agents
Estate House,
130 Jermyn Street,
SW1Y 4UL
01-930 1070

DE & J LEVY

FREEHOLD OFFICE BUILDING

CENTRAL LONDON

SOLE AGENTS:

DE GROOT COLLIS

9, CLIFFORD ST., W1X 2AL
01-734 1304

By Order of the Secretary of State for Defence

THE FORMER R.A.F. TECHNICAL SITE SEATON SNOOK HARTLEPOOL COUNTY DURHAM

Site Area 25.8 ha (64 acres approximately)

TO BE OFFERED FOR SALE BY PUBLIC AUCTION
at the
GRAND HOTEL HARTLEPOOL
at
3.00 P.M.
on
Wednesday, 4th August, 1971

SANDERSON TOWNEND & GILBERT
29 Wilson Street, Middlesbrough, Teesside. Telephone: 0642-44181

BRIDGE ROAD, STOCKTON-ON-TEES

Extensive Commercial Block with approximately 8,250 square feet of excellent Showroom, Office, Storage and Warehousing space.
Existing use rights for retail, wholesale and distribution purposes. Considerable development potential for cash and carry, office user, social purposes, etc. (subject to planning consents).
River Frontage. Freehold.
Total site area about 1¼ acres.
For sale by Auction on Thursday the 23rd September, 1971 in Stockton.
Details from the Sole Agents, G. H. Edkins and Son, 122 Newgate Street, Bishop Auckland—tel: 3095 6.

NOTTING HILL GATE

MODERN OFFICES TO BE LET

sq. 18,586 ft.

CAR PARKING, LIFT, CENTRAL HEATING

Sole Agents
103 MOUNT STREET
LONDON W1Y 6AS
01-493 6040
Telex 23858 Ref: W/HIC

JONES LANG WOOTTON

PORTSMOUTH

New Building

Showroom—4,600 sq.ft.
Two Upper Floors Offices 9,500 sq.ft.

TO BE LET

£15,000 p.a.

Enquiries in confidence to Box T.1367, Financial Times, 10, Cannon Street, EC4P 4BY.

Of particular interest to an organisation seeking offices for a period of 6¼ years

SOUTHWARK STREET S.E.1

(less than one mile from the City)

MODERN GROUND FLOOR PREMISES

2 UNITS each of 3,150 sq. ft. i.e. 6,300 sq. ft.

Plus Storage 700 sq. ft. (total—7,000 sq. ft.)

COMMENCING RENT £32,000 p.a. exclusive of rates and services

Applicants must be able to obtain an O.D.P. and apply for planning consent for the above period of 6¼ years

Apply:

david hansford & Company

302-304 Old Marylebone Road, N.W.1 01-262-6628 01-723-7162

Premises to let

COPENHAGEN

One of Copenhagen's fine old buildings, protected in class A and centrally located with a beautiful view of the Parliament and the National Museum, has been completely restored and modernized. The 5-storey building has a total floor area of 1,000 sq. m. and will serve as offices for a company desirous of representative headquarters in downtown Copenhagen.

Rent per annum dan. kr. 285.000 (US $ 38.000).

Please contact Mr. Henry Fischer-Hansen, Attorney, 2 Kronprinsessegade, 1306 Copenhagen K (telephone Minerva 3401) for further information.

OLD FORD, E.3

DISTRIBUTOR OR CONTRACTOR'S WAREHOUSE AND YARD

5,000 Sq. Ft. Approx.
including offices

Site Area—12,500 Sq. Ft. Approx.

FOR SALE FREEHOLD

With Vacant Possession.

Price and Particulars from the Sole Agents
Edwards, Bigwood & Bewlay,
34, Sackville Street,
London W1X 1DB.
Tel: 01-734-1983.

CHADWELL HEATH

Nr. Romford, Essex.

PROJECTED New Office Block

- 25 minutes to City
- 20,000 sq. ft.
- Tenant required with ODP or capable of supporting application

DEREK LYALL & PARTNERS
CHARTERED SURVEYORS
4a, Tindal Square, Chelmsford, Essex. Tel: 65261

Established 1866 | T. BANNISTER & CO., MARKET PLACE, HAYWARDS HEATH. | Tel: 2402

JERMYN STREET—S.W.1.

BEAUTIFULLY APPOINTED SPACIOUS LOCK UP SHOP—EXCELLENT FULLY GLAZED FRONTAGE ABOUT 19' 6" OVERALL AREA ABOUT 850 SQ. FT.

SUITABLE MANY TRADES

2 Year Lease remaining at £1,750 P.A. excl.

Lease for sale, to include the complete fixtures, fittings, furnishings, etc. Apply Site Agents as above

---

CENTRAL LONDON

URGENTLY REQUIRED

SITE FOR HOTEL — 1,000 BEDROOMS

Area North to Regents Park
West to Hammersmith East to Charing Cross Road.
South to the River
FREEHOLD or would consider building lease.
Details to Retained Surveyors:—
P. J. WILLIAMS & CO.
6 Stratton Street, London, W.1. Tel. No. 493-4164/5, 493-3024.

DUNSTABLE

ft. 42,000 sq.

NEW S/S

HEADQUARTERS/WAREHOUSE

PRESTIGE FRONTAGE TO A.5.

CONRAD PHOENIX & CO
5A Wardrobe Place,
London, E.C.4.
01-248-0441

MORLEY LONDON & PTNRS
19, Devonshire St.,
London W1N 1FS
01-580-3397

هكذا من الأصل

هكذا من الأصل

MAYFAIR

AIR CONDITIONED OFFICE BUILDING

22,850 sq. ft.

TO LET

GROUND FLOOR AND BASEMENT BANKING UNIT OF 8,000 SQ. FT. WILL BE LET SEPARATELY

THIS SUPERB NEWLY ERECTED HEADQUARTERS OFFICE BUILDING CONTAINS 22,850 SQ. FT. OF FULLY AIR-CONDITIONED LUXURY OFFICE ACCOMMODATION. BEHIND BRONZE TINTED HEAT-ABSORBING WINDOWS THE OFFICES ARE FULLY CARPETED AND THE AMENITIES INCLUDE A SAUNA BATH AND A LANDSCAPED TERRACE WITH JAPANESE GARDEN. PRIVATE CAR PARKING FOR 8/10 CARS IS PROVIDED NEARBY.

ANTHONY LIPTON & CO.
13 STANHOPE GATE, PARK LANE, W.1. 01-499 8666

P. J. WILLIAMS & CO.
6 STRATTON ST., PICCADILLY, W.1. 01-493 4164

TO LET Watling Street, Cannock

Probably the best sited Warehousing and Distribution Centre of its size in the Country today.

187,500 square feet at 34p per square foot

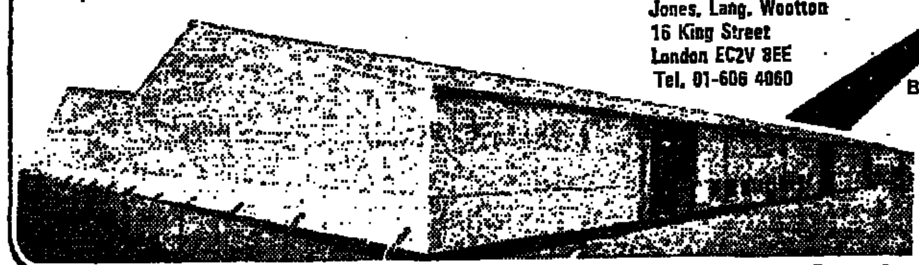
Situated at the junction of the A5 and A460 trunk roads ¾ mile from the M6 Motorway (Exit 11).

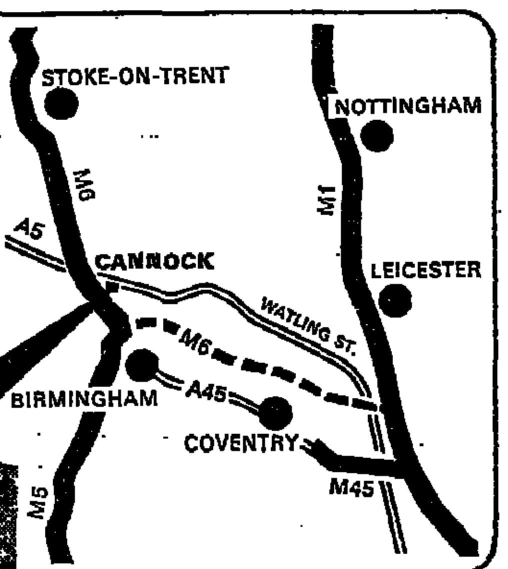
18 ft. eaves, 15° pitch, volume 5¼ million cu. ft. For early occupation.

Enquiries to the joint letting agents:

Shipway, Doble & Earle
Scala House, Holloway Circus
Birmingham B1 1EH
Tel. 021-643 8622

Jones, Lang, Wootton
16 King Street
London EC2V 8EE
Tel. 01-606 4060





DAVID CHARLES

JOHN D. WOOD & CO.

- KNIGHTSBRIDGE
- Excellent modern office building
- Full Air conditioning
- Double Glazing
- 17,851 sq.ft.
- Including car parking 16 cars
- Panelled Boardroom/Director's floor
- Vacant October

- ALDWYCH
- Ground floor
- Central Heating
- Refurbished/close carpeted
- 2,130 sq.ft.
- Car Parking (no extra charge)
- Commissionaires
- 24 hour access

Penthouse Office Suite	Air Conditioned Office Development	Modern Office Floor
BAKER STREET, W.1.	TWICKENHAM	HIGH HOLBORN, W.C.1.
3,333 sq.ft.—5th floor	100/150,000 sq.ft.	4,262 sq.ft.—3rd Floor
2 Lifts. Central Heating Redecorated & Carpeted throughout.	Tenant who can support an ODP required	2 Lifts Central Heating 1 car space

23 BERKELEY SQUARE, LONDON, W1X 6AL 01-629 9050
Also at Chelsea, Kensington, South Wales, Edinburgh and Southampton

ARE YOU:

- A PUBLIC COMPANY?
- REQUIRING PURPOSE-BUILT ACCOMMODATION?
- NOT WANTING TO UTILISE VALUABLE CAPITAL?

THEN WE SHALL

- FIND YOU A SUITABLE SITE
- OBTAIN PLANNING PERMISSION
- DEVELOP IT TO YOUR SPECS.
- FUND THE ENTIRE SCHEME
- ARRANGE TO LEASE IT TO YOU

Write in confidence to Box T.1372, Financial Times, 10, Cannon Street, EC4P 4BY.

LOUGHBOROUGH LEICESTERSHIRE
SALE BY AUCTION
of
TWO CENTRAL SALES SHOPS
NOS. 7 and 7A HIGH STREET.
Income £1,025 per annum.
Lease expires DECEMBER 1971
27th July next by
W & F ARMSTRONG & CO.
LOUGHBOROUGH 4546

CROYDON	SLOUGH A4/M4,	BURY ST EDMUNDS
FREEHOLD FACTORY FOR SALE	MODERN FACTORY TO LET	FREEHOLD FACTORY FOR SALE
26,590 sq. ft. single storey	17,940 sq. ft. single storey	163,000 sq. ft. mainly single storey
on site 4,220 sq. yds.		on site 7.0 acres

Valuers and Agents of Industrial and Commercial Property throughout the United Kingdom. Rating Surveyors. Plant and Machinery Valuers.

FULLER PEISER & CO
CHARTERED SURVEYORS
3/4 Holborn Circus, London, EC1N 2HL 01-353 6851 Telex 25916

URGENTLY REQUIRED BY CHARITABLE BODY

Office space —400 to 850 sq ft— close to Euston Station. Possession must be obtainable by September quarter day.

Details to retained agents

RICHARD ELLIS & SON
6-10 Bruton Street, London, W1X 8DU 01-499 7151

Chartered Surveyors
Offices also in City of London, Scotland, Belgium, France, Australia, South Africa.

NATIONAL HOUSE MOORGATE EC2

25,000 Sq Ft Offices with Ground floor Banking hall
Completely Modernised
To be let as a whole or would divide

Sole Agents
MATTHEWS & GOODMAN
Chartered Surveyors
35 Bucklersbury EC4 01-248 0033

By Order of Trustees

A Superior Investment Property IN MAYFAIR

Nos. 61/62 South Audley Street, London, W.1.

Comprising two Shops with Flats over.
Currently producing £5,495 per annum.
WITH VALUABLE REVERSIONS TO INCREASED RENTALS DUE BETWEEN 1973 AND 1977.
Grosvenor Head lease 68 years unexpired. G.R. £240 p.a.
For sale by auction—6th October 1971.
(unless previously sold privately)
Full details from the Auctioneers:
JACKSON-STOPS & STAFF,
14 Curzon Street, London, W.1. Tel: 01-499 6291. Ref. E.W.S.

Industrial & Business Property Appears Every Friday

£500,000 MORTGAGE

available in one unit for prime commercial or industrial property investment at low rate over 25 years (part capital repayment)

Full details in strict confidence to:
PETER G. HIRSCH & CO. LTD.
15 Berkeley St., London W.1. Tel: 01-629 5051/2/3

LIVERPOOL

TO BE SOLD

Warehouse/Transport Depot 31,000 sq. ft.
Warehouse/Industrial Site 1,840 sq. yds.
Suburban Shop 35 ft. frontage 5,000 sq. ft.

TO BE LET

Warehouse Light Industrial Units from 3,000 sq. ft.

Full details from

PATERSON & THOMAS

16 Cook Street, Liverpool, L2 9RH. 051-236 6746
69 Sandy Lane, Skelmersdale, Skelmersdale 23417

Buckingham Gate S.W.1

Overlooking St. James's Park adjacent Buckingham Palace

ATTRACTIVE OFFICE BUILDING

MANY AMENITIES
7,177 Sq. Ft.
LEASE FOR SALE
Apply
EDWARD ERDMAN & CO

6 Grosvenor Street London W1X 0AD 01 629 8191

FACTORIES AND WAREHOUSES

FOR SALE BY TENDER
NEWENT, Gloucestershire
WITHIN 9 MILES OF GLOUCESTER
and approximately 4 miles of Motorway M50
(Ross-on-Wye—Birmingham)

FREEHOLD SINGLE-STOREY FACTORY
together with Canteen and other buildings.
AREA OF 36,000 SQUARE FEET approximately
SITE OF 4.44 ACRES approximately

Suitable as a Distribution Depot. Store or Warehouse but light industrial use and development would be sympathetically considered by the Planning Authority. Tenders must be submitted on or before 16 August 1971.

For further DETAILS AND FORM OF TENDER, apply:—
C. W. NEWSOME MARTIN, FRICS CA
District Estate Surveyor
Department of the Environment
Burghill Road
Westbury-on-Trym
Bristol
BS10 6NH
Telephone: Bristol 622851. Ext. 399, 393 or 130

HARRISON GIBSON (ILFORD) LTD.
OF HIGH ROAD, ILFORD

20,000 SQ. FT.
AT ONLY
£1 PER SQ. FT.
AVAILABLE IN SMALL UNITS IF REQUIRED

THIS EXCEPTIONALLY LOW RENT INCLUDES RATES. LIGHTING. HEATING AND AMENITIES. IDEAL FOR OFFICES OR STORAGE. 6TH & 7TH FLOORS.

- Modern goods and passenger lifts with excellent loading facilities.
- Underground car parking spaces by arrangement.

PLEASE WRITE FOR APPOINTMENT TO VIEW:
MR. M. LEMON,
Resident Director.
Harrison Gibson (Ilford) Ltd., High Road.
ILFORD. (Tel: Ilford 4455).

BERNARD THORPE & PARTNERS

CITY — E.C.1

GROUND FLOOR FACTORY & OFFICES
SQ. 8,713 FT.
LEASE FOR SALE
Details from Head Office; Ref. NBW/TH

1 Buckingham Palace Road, London S.W.1. Tel: 01 834 6890

CHEAPSIDE EC2

Excellent first floor offices in modern building
173 sq m (1,872 sq ft)
To be let

MARCUS LEAVER & CO
36 Bruton Street London W1X 8AD 01-629 4261
also in Dublin and Edinburgh and associated office in Malta

FOR INVESTMENT

IMPORTANT FREEHOLD INVESTMENTS
6-9 Abbey Street, NUNEATON
WITH VALUABLE REVERSION IN 1974 & other investment properties
FOR SALE BY AUCTION ON 26TH AUGUST, AT 3.00 p.m. THE CHASE HOTEL, NUNEATON
by
ACHURCH & WOOTTON
Chartered Surveyors
Further details from Auctioneers offices 5-9 Hotel Street, Leicester. Tel. 27897/8/9.

MARSH BARTON TRADING ESTATE, EXETER

Five new warehouses/factories. Let 17/14/21 year F.R.I. leases to four good tenants at rents totalling £7,200 p.a. excl. Price £65,000 Leasehold. 99 year Corporation lease at £500 p.a. with no rent reviews. Young and White, 432 Bitterne Road, Southampton, tel: 46774/7 OR Haarer and Motts, 33 & 39 Princesshay, Exeter. tel: 56178.

LIFE ENDOWMENT Policy: Double Bonus. 25-year term. Maturing 1978. Premium £84 p.a. Price £3,000.—Write Box T.1369, Financial Times, 10, Cannon Street, EC4P 4BY.

10% INVESTMENT secured on 2 "unbroken" parcels of Ground Rents. E. Lancs. Immense reselling potential to individual lessees. One estate 151 houses producing £2,265 p.a. the other 267 houses prod. £4,011 p.a. Sole Agents Mendoza, 105 Baker St., W1M 2BL. (01-935 8341).

NORTH NOTTINGHAM

7 miles City. Four new single storey compact Industrial Units, 21 year leases. 7 year reviews. Rents £9,671 per annum. 11 Y.P. Geo. Hallam & Sons, Factory Agents, St. Peter's Gate, Nottingham. Tele. 50301.

COMPACT BLOCK of 4 shops. Flats and Garages. Detached site. Essex Coast. Built 1970. Income Rent £3,600 p.a. Freehold £40,000.—Write Box T.1368, Financial Times, 10, Cannon Street, EC4P 4BY.

LEASEHOLD INVESTMENT for Sale. 34 years unexpired, profit rent £6,550 p.a. with reviews from 1978. Secured on modern Commercial Property. Liverpool city centre. £46,500 or near.—R. F. Spark & Co., 21, Dale Street, Liverpool, L2 2HB. 051-236-0685.

BUILDING LAND AND SITES

For Sale by Private Treaty
FREEHOLD
Main Road
PETROL FILLING STATION SITE
Queslett Road. Great Barr.
BIRMINGHAM
245 ft. frontage
3400 sq. yds. Site Area
Outline Planning Consent
Between Chester Road and M.6 at Scott Arms on busy B.4149
...DONALD DIXON BARNARD & DOBSON
36 Bennetts Hill, Birmingham B2 5SP 021.236 9321
and at Stratford-upon-Avon, Sutton Coldfield & Solihull

FOR SALE. An excellent development site, middle of excellent shopping centre, Sutton Coldfield area, ideal supermarket. Write Box T.1359, Financial Times, 10, Cannon Street, EC4P 4BY.

BASINGSTOKE, Freehold industrial site of 1½ acres for sale. Apply Lane Fox & Partners. 01-499 4785.

TEMPLECOMBE SOMERSET. 10½ Acres Industrial Land For Sale. D. J. Hawker, 8, Kingston, Yeovil. Tel. 21971 2.

SHOPS AND OFFICES

HORSHAM NEW OFFICES

At a fraction of London Rentals, a new office development has just been completed in Horsham. British Rail will whisk you to the capital in about 53 minutes frequently and direct. Or you can drive through peaceful Sussex countryside to Gatwick International Airport in under 15 minutes. Your most discriminating clients may be royally entertained at the King's Head Hotel. Shopping, schooling and housing are excellent.

To make the move as easy as possible the offices have already been fully fitted with carpets, suspended ceilings and light fittings. Amenities include an automatic lift and full central heating.

More details, including photographs, plans, etc., from:

Sole Agents:
MELLERSH & HARDING,
Chartered Surveyors,
43, St. James's Place, London, S.W.1.
01-493 6141.

TO LET OR FOR SALE
MODERN SINGLE STOREY FACTORIES AND WAREHOUSES WITH OFFICES
ELEYS ESTATE
NORTH CIRCULAR RD. N.18
From 20,000 to 180,000 sq. ft.
CHADWELL HEATH, ESSEX
25,000-120,000 sq. ft.
25 ft. to eaves
Another 200,000 sq. ft. being built
WALTHAMSTOW
4,000 sq. ft.
RAYMOND & CO.
69 Kimberley Rd., E.17
Tel. 527 8812

EXETER: BUS DEPOT 22,000 sq. ft. Close centre of City. Freehold by auction August 20th. Husseys, Chartered Surveyors, Alphington, Exeter. (Tel. 70055).

WATFORD. Warehouse unit 6,000 sq. ft. built 1969. 18 ft. to eaves. Excellent loading, parking, C.H., etc. £4,000 p.a. Gordon Hudson & Co. Tel. Watford (92) 39711.

CONRAD RITBLAT & COMPANY

SOUTH LONDON
FREEHOLD REVERSIONARY INVESTMENT
Secured on substantial shopping parade in prominent location
PRICE £147,500
Details from

MILNER HOUSE LONDON W1M 6AA TEL 01-935 4499

ISLINGTON N.1

Modern Light Industrial Premises

SQ. 17,250 FT.

All Facilities

WILLETT
7 Lower Sloane Street S.W.1. 01-730 3435

Georgian Style Office Building
To be let
Finsbury Square, E.C.2
3,100 square feet

Hampton & Sons 9, Dowgate Hill EC4 236 7831

SHOPS AND OFFICES

LEOMINSTER
HEREFORDSHIRE
Extremely well situated Commercial Premises. Substantial and extensive SHOP, ample STORAGE, LIVING ACCOMMODATION. Rear access, POSSESSION.
Auction 20th August at Leominster. Details
RUSSELL, BALDWIN & BRIGHT, Leominster (Tel. 2363)

CANTERBURY
IN THE HEART OF THE CITY
Leasehold Prestige Office Accommodation
Approx. 3,200 sq. ft.
Vacant possession
Apply WORSFOLDS
3 St. Margaret's Street, Canterbury, Kent. Tel. 62325

CHARING CROSS RD. Air conditioned modern offices. 1,300 sq. ft. to be let. Herring Daw and Manners, 23, St. James's Sq., S.W.1. 01-839 3466.

KINGSTON BDRS. nrly. opp. Stn. Elegant new 6,500 sq. ft. office block, or avlble. in 2,000 sq. ft. single floor suites. Gas c/htng. Prvte. Car Park. Superb finishes. Ready now. STREET CONSTRUCTION, 3/4 Mulgrave Ct., Sutton. 643 8181.

LLOYDS. Modernised offices to let. Immediately opposite Lloyds. Hampton & Sons. Tel. 01-236 7831.

EASTCHEAP, E.C.3. Office suite 1,775 square feet to let on new lease £6,500 per annum exclusive. Matthews & Goodman, 35 Bucklersbury, E.C.4, 01-248 0033.

FINCHLEY ROAD—Opposite John Barnes. 600 sq. ft. prestige suite. 3rd floor. £1600 p.a.—Hamilton Young & Son. 435 8445.

HARLEY ST. W.1. (1 door Cavendish Sq.). Magnificent ground floor office suite. 25000 sq. ft. to let Outstanding architect designed interior to highest possible standard—637 2131.

WANTED

REVISIONERY INVESTMENT REQUIRED
COMMERCIAL/RESIDENTIAL
No immediate income necessary.
Lots of up to £500,000

MEADOW SCHAMA
79a Park Street, Mayfair, London W1. 01-493 6892

URGENTLY REQUIRED
Industrial Investments which need not be prime investments. Large funds available and immediate decisions.—Write Box T.1352, Financial Times, 10, Cannon Street, EC4P 4BY.

WANTED

2 ACRE MINIMUM
site required with planning permission for scrap yard in North Midlands area or South East England.
Write Box T.1330, Financial Times, 10, Cannon Street, EC4P 4BY.

WANTED

EXPANDING INDEPENDENT LUCAS
Wholesale agents require premises in Hendon area. Approximately 5,000 sq. ft. To include offices, stores and workshop, with additional hard standing. Present premises subject to CPO. Write Box T.1365, Financial Times, 10, Cannon Street, EC4P 4BY

MORTGAGES

WHY PAY for expensive second mortgages when you can remortgage over 20 years at 9½% reducing, up to 85% of valuation. For details: telephone 01-242 0571.

WALL STREET + OVERSEAS MARKETS

Off 4.1 with concern over economy

BY OUR WALL STREET CORRESPONDENT

NEW YORK, July 22.

PRICES, GENERALLLY, closed at the day's lowest levels on Wall Street, with operators remaining cautious owing to some concern over the strength of the recovery in the economy.

The Dow Jones Industrial Average gave way 4.16 to 886.68 and the NYSE All Common Index lost 12 cents to $54.92, while declines led advances by 797 to 522. Volume expanded 650,000 shares to 12.57m.

While there was nothing in the news background to provide any sharp selling, the main news was hardly encouraging.

The pace of durable goods orders slowed, the Stock Markets short interest position decline for the fourth straight month, the dollar was unsettled in Foreign Exchange Markets accompanied by a sharp rise in the price of gold, and Morgan Guaranty predicted a record $7,000m. second-quarter balance of payments deficit, which all contributed to a general lack of enthusiasm.

Gold issues were the only sector to show any sign of strength reflecting the advance in the gold price. Dome Mines further improved $¾ to $70½. American South African Investment climbed another $¾ to $48¼.

General Electric fell $2¼ to $54½—cancellation of the SST contract and lower orders for the DC-10 would force it to "lay off 7,000 workers" in its jet engine division. To-day, GE was served with a $60m. damage suit over delays in the construction of a nuclear power plant for an Eastern utility.

Elsewhere in the Aerospace sector Lockheed Aircraft advanced $½ to $12¼—the House Banking Committee approved a Bill which will provide the aerospace firm with an additional $250m. financing for the Tristar jetliner.

Martin Marietta edged up $¼ to $20¾ on second quarter earnings of 80 (69) cents per share.

Airlines reflected individual earnings. TWA held unchanged at $25½ on its second quarter profit of 66 cents per share against a loss last year. Pan Am dipped $½ to $12 following a second quarter loss of 40 cents per share, against 3 cents profit in 1970. Delta gained $½ to $41½ with earnings of 59 (73) cents per share which were viewed fabourably by some analysts considering the general state of the industry.

"Glamours" generally outperformed the market as they continued their modest rallly. Bausch and Lomb jumped $3¼ to $106 on its higher short interest position. Recent higher earnings helped both Polaroid, up $½ to $107½, and Xerox, up $½ to $115¾, overcome general negative market sentiment. IBM fell back $2¼ to $299½.

Brewing shares dropped back on lower, or not very improved earnings reports. Rheingold declined $1¾ to $23 on a 55 (87) cents per share profit. Falstaff lost $½ to $6¾.

On the active list International Nickel, the volume leader, were unchanged at $53¾. Blocks of 200,000 and 300,000 shares made up most of this volume.

National Cash Register, which had sharply lower earnings, dropped $1¾ to $41½.

The American SE Index backed 6 cents to $25.47 in a volume of 2.92m. (3.12m.) shares.

OTHER MARKETS

Canada still higher

Canadian Stock Markets made further headway in light trading yesterday when only Western Oils, off 0.80 on index, moved against the general trend.

Golds further advanced 3.12, Industrials rose 0.80, Utilities 0.86, Banks 0.66, Papers 0.13 and Base Metals 0.40.

Western Broadcasting added $1½. Massey-Ferguson put on $1, as did Canadian Javelin, but Falconbridge lost $1.

PARIS—Mixed in active trading, following speculation around the franc and end of Account adjustments.

Firm sectors were Motors, Rubbers and Foods. Electricals, Banks and Financials were mixed, while Chemicals were resistant.

CFP Aquitaine advanced Frs.12 and Esso Standard rose Frs.2.2 in Oils.

Foreign stocks were narrowly mixed with Germans slightly lower but Americans were firm. Golds and Belgians were resistant.

GERMANY—Markets were irregular, with interest centred on Banks. Dresdner Bank rose DM8.10, Commerzbank DM6.50 and Deutsche Bank DM5.

AG Fuer Verkehrswesen and Degussa each reacted. Most leading Chemicals and Electricals eased slightly, with Hamborner and Harpener each lower.

Gains were in the majority in Bonds.

AMSTERDAM—Among generally steady plantations, HVA eased on small profit taking. Shippings were mixed. KLM Airlines lost another Fls.1.5. Local Industrials were quiet, with Bijenkorf down 5 points, but Heinkenen recovered Fls.3.5.

SWITZERLAND — Markets closed mixed, after a steady opening. Sulzer were somewhat higher, while BBC, Lonza and Nestle Bearer each lost ground.

Banks and Insurances fluctuated narrowly.

State Bonds were steady.

Among Foreign shares, Dollar stocks were easier, Dutch and German issues were little changed.

STOCKHOLM—Firm trend.

BRUSSELS—Trading was dull, but Gevaert, Union Miniere and Cockerill were each firm. Petrofina, Arbed, Solvay and Sofina were about unchanged. Wagons-Lits shed Frs.10.

In a quiet Foreign section, Dutch stocks lost ground except for Akzo which were maintained. Germans were weaker, French issues generally held steady. Golds were barely changed.

MILAN—Easier in very quiet conditions, with operators holding off before further developments in the domestic economic situation.

COPENHAGEN—Mixed in quiet trading.

OSLO—Trend also mixed. Banks and Shippings were steady, Insurances firm, Industrials irregular.

VIENNA—Market was irregular. Some Building issues tended higher. Banks and Insurances were steady.

JOHANNESBURG—In Golds most issues put on a few cents following the higher London bullion price. Anglos also went ahead in Mining Financials. Diamonds were quiet as were Platinums.

Collieries were softer and Banks were virtually unchanged.

TOKYO — Market staged a modest recovery. Volume 200m. (240m.) shares.

Housing-related issues led the recovery. Eidai Sangyo gained Yen 28 to Yen 694, Daiwa House advanced Yen 15 to Yen 545, and Sekisui Prefab House were up Yen 30 to Yen 1,550.

Matsushita Electric Industrial rose Yen 11 to Yen 586 on rumours of a Wall Street listing. Other Electric Home Appliances also gained ground. Sony advanced Yen 88 to Yen 3,550. Alps Electric were up Yen 33 to Yen 657, TDK Electronics improved Yen 28 to Yen 763 and Pioneer gained Yen 22 to Yen 792.

Showa Oil put on Yen 20 to Yen 340.

Private Railways and Leisure items improved. Yomiuri Land were up Yen 15 to Yen 225, Seibu Railway were Yen 40 higher at Yen 920 and Keihin Electric Railway advanced Yen 12 to Yen 119.

Cameras recovered after initially declining following a report that they planned production cutbacks to adjust stocks. Richo declined Yen 13 to Yen 257 but Nippon Kogaku gained Yen 13 to Yen 420.

AUSTRALIA — Mining shares closed lower although there were some signs of a revival in late trading. Oils rallied and moved higher after a weak opening. Industrials were mixed.

Selcast were 19 cents lower at $1.66, after $1.45. Poseidon were 50 cents down at $19.50, after $18.80. Mineral fell 4 cents at 13 cents, Glomex also lost 4 cents to 18 cents and Conwest dipped 1 cent to 84 cents.

Kathleen Investments dipped 10 cents to $7.80 while Queensland Mines, in which Kathleen has a 50 per cent. stake, recovered $1 to $15.

Utah Mining lost 8 cents to $4.22 but Bougainville Mining were 12 cents dearer at $3.07.

In Oils, Woodside closed 2 cents lower at 94 cents, after touching $1 in reaction to the North Rankin well gas reserves estimate; the contributing shares were 9 cents higher at 63 cents, while Mid East were 6 cents higher at 46 cents.

NSW Oil and Gas gained 2 cents at 34 cents on news of the start of drilling in Bass Strait. Timor also rose 2 cents to 40 cents. Santos, however, came back 5 cents to $3.15.

Indices

NEW YORK

DOW JONES AVERAGES

Close	Home Bonds	Transport ‡	Indus. *	Util. Φ	Trading volume† 000's
July 22	70.46	214.43	886.68	117.84	12,570
21	70.36	215.10	890.84	116.19	11,920
20	70.40	216.17	892.30	118.15	12,540
19	70.26	214.83	886.39	118.13	11,430
16	70.17	217.17	888.51	118.45	13,870
15	70.15	217.57	888.87	118.45	13,060
14	70.12	217.01	891.21	118.43	12,100
13	70.15	217.04	892.38	119.09	15,540
1971 High	71.88 (6/4)	252.79 (25/4)	950.82 (28/4)	128.69 (19/1)	—
Low	68.62 (4/1)	162.70 (4/1)	860.57 (4/1)	115.11 (9/1)	—

* All-time high 995.15 (9/2/66)
‡ All-time high 279.88 (7/2/69)
Φ All-time high 163.32 (20/4/65)
† Excluding bonds.

IND. DIVIDEND YIELD p.c.

July 16	July 12	Aug 5 1970
3.60	3.55	4.40

N.Y. SE ALL COMMON INDEX

Dec. 31, 1965=50.

1971 High	1971 Low	Thurs.	Wed.	Tues.	Mon.	Fri.
57.76 (28/4)	49.72 (4/1)	54.92	55.04	55.06	54.84	54.97

RISES AND FALLS

Issues traded	Up	Down	Unchanged
1,665	522	797	346

1970/71	Thurs.	Wed.	Tues.	Mon.	Fri.
New Highs	18	33	42	32	67
Lows	36	42	35	49	33

AMERICAN SE ALL STOCKS AVERAGE

1971 High	1971 Low	Thurs.	Wed.	Tues.	Mon.	Fri.
26.69 (22/4)	22.72 (4/1)	25.47	25.55	25.57	25.55	25.61
Volume (000's)		2,920	3,120	2,610	2,510	3,100

STANDARD AND POORS U.S. STOCK INDICES

	*Industrials	†Composite
July 22	109.18	99.11
21	109.30	99.28
20	109.42	99.32
19	108.95	98.93
16	109.14	99.11
15	109.36	99.28
14	109.30	99.22
1971 High	115.34 (28/4)	104.77 (28/4)
1971 Low	99.73 (4/1)	91.15 (4/1)

* 425 Industrials. † 425 Industrials, 50 Utilities and 25 Rails. (1941=10.)

STOCK AND BOND YIELDS

	July 21	July 15	July 23 1970
Industrial div. yield pc	2.92	2.92	3.58
Price-earning ratio	15.43	18.41	15.22
Long-term Govt. Bds. yield pc	6.18	6.10	6.75

MOST ACTIVE STOCKS

	Shares traded	Closing price	Change on day
Inter. Nickel	654,200	33¾	—
Webb Del. Elec.	419,100	5½	−⅛
Southern Co.	307,500	23½	+⅛
Plessey	306,300	2¾	—
General Electric	241,600	54½	−2¼
Nat. Cash Reg.	152,000	41½	−2¼
Pfizer	148,000	39½	−1
Natomas	119,500	80¾	+¼
Penn Central	106,100	5⅞	+⅛
Amer. Tel. & Tel.	96,500	44½	−⅛

TORONTO

INDUSTRIAL INDEX

July 22	July 21	High 1971	Low 1971
179.20	178.62	188.74 (21/4)	173.9 (4/1)

MONTREAL

INDUSTRIAL INDEX

July 22	July 21	1971	1971
155.45	154.65	188.89 (20/4)	176.50 (4/1)

COMBINED INDEX

152.30	151.49	155.02 (20/4)	172.85 (22/2)

JOHANNESBURG

	July 22	July 21	High	Low
Industrials‡	205.5	204.5	212.4 (9/6)	165.8 (3/1)
Golds†	79.8	79.4	89.3 (19/4)	78.7 (15/7)

(1968=100.) Source: Rand Daily Mail.

AUSTRALIA

MELBOURNE YIELD INDICES

Av ge yield on 50 Leading Stocks	July 22	July 16	July 15
On Dividends	5.58	5.52	5.59
On Earnings	9.50	9.31	9.31

SYDNEY ALL ORD. INDEX

July 22	July 21	High 1971	Low 1971
487.33	490.73	518.51 (4/1)	477.15 (5/5)

TOKYO

NEW SE INDEX

Base=100 January 4, 1968.

July 22	+ or −	Div. %	Yield %
202.37	+0.97	11.90	5.05

1971 High 204.33 (19/7) Low 148.83 (5/1)

EUROPE

	July 22	Previous	1971 High	1971 Low
Belg'm (m)	105.81	105.56	105.81 (22/7)	92.18 (6/1)
France (bb)	76.8	78.5	[illegible] (28/6)	74.8 (6/1)
Germany*	105.50	106.40	112.71 (26/2)	94.98 (6/1)
Holland (o)	121.8	122.0	128.0 (6/4)	112.6 (6/1)
Italy‡	49.76	50.12	60.09 (10/5)	48.94 (12/7)
Sweden (p)	282.11	278.62	292.71 (23/6)	240.71 (6/1)
Switzerl'c**	408.2	406.2	410.4 (10/4)	360.9 (4/1)

* Herstatt Index. ‡ Base amended to January 2, 1962, from December, 1950. **Swiss Bank Corporation Index base 100 December, 1958. (b) Basis 100 December 29, 1967. (c) Closed. (m) Base date amended from 1953 to 1963. (o) Adjusted now quoted on basis 1963=100 and no longer 1953=100. (p) Base date December 29, 1958. (bb) New index introduced by Paris Bourse Committee basis 1961=100.

MONEY + EXCHANGES

Large assistance

Bank Rate 6% (April 1, 1971)

Credit was in short supply in the Discount market yesterday, and the authorities bought a large amount of Treasury bills, mainly from the Discount houses. A surplus was carried over by the banks from the previous day, but revenue transfers to the Exchequer were greater than Government disbursements, there was a net Treasury bill take-up to finance, and a moderate amount was repaid to the Bank of England, following Wednesday's borrowing.

A rate of 5¾ per cent. was bid widely for day-to-day loans, with 6 per cent. reported on some early deals, and even in the closing stages there was no substantial fall below 5½-5⅝ per cent., though conditions towards the end appeared uneven. Near 3-month Treasury bills were quoted for sale at a rate ranging from 5$\frac{11}{16}$ per cent. to 5½ per cent.

Sterling certificate yields showed some minor changes. A late sample of quotations gave the following range: 1-month 6$\frac{1}{16}$-5$\frac{15}{16}$ per cent., 2-month 6⅛-6 per cent., 3-month 6$\frac{5}{16}$-6$\frac{3}{16}$ per cent., 6-month 6⅝-6½ per cent., 9-month 6⅝-6½ per cent., 12-month 6¾-6$\frac{9}{16}$ per cent., and 2-year 7⅜-7¼ per cent.

In the inter-bank market, overnight loans commanded 5⅞-6 per cent. for the best part, with some deals done in places during the day at 5¾ per cent., but towards the end, there was a sharp rise, with levels of 6 per cent. to 7 per cent. being reached. Month money was at 5⅞-6$\frac{1}{16}$ per cent., 3-month at 6$\frac{5}{16}$-6¼ per cent., 6-month at 6½-6⅜ per cent., 9-month at 6$\frac{7}{8}$-6⅝ per cent., and 12-month at 6⅞-6¾ per cent. First-class finance houses offered around 6½-6⅜ per cent. for 3-month deposits, 6¾ per cent. for 6-month and 7¼-7⅛ per cent. for 12-month.

Local authorities paid 5¾ per cent. commonly for loans at 2-days' notice, but 5¾ per cent. and 6 per cent. were also quoted. Loans at 7-days' notice were at 5⅞-6 per cent. Month money was at 5⅞-6⅛ per cent., 3-month 6 per cent. to 6$\frac{3}{16}$ per cent., or possibly 6¼ per cent., and 6-month at 6⅜-6¼ per cent. One-year mortgages were at 6¾ per cent., and 2-year at 7½ per cent., or on occasion 7$\frac{7}{16}$ per cent., with 3-year at 7¾-7⅞ per cent., 4-year 8-8⅛ per cent., and 5-year 8⅜-8¼ per cent.

Loans Φ Day to-dy	Loans Φ Sh'st prds	Banks Bills Φ 2 & 3 mths	Banks Bills Φ 4 mths	Banks Bills Φ 6 mths	Fine Trade Bills 3 mths	Fine Trade Bills 4 mths	Fine Trade Bills 6 mths
4½-6	4½-6	6⅜-6⅛	6⅜-6¼	6⅜-6$\frac{7}{16}$	7-7¼	7-7½	7½-7¾

Φ Rates at which discount houses take loans or buy bills respectively. Buying rates for Treasury bills in the Discount Market: two months 5$\frac{17}{32}$ per cent., three months 5$\frac{9}{16}$ per cent.

Finance House Base Rate published by the Finance Houses Association: 7 per cent. from July 1 (unchanged from June).

BULLION

Gold was fixed at $41.59 (£17.194) an ounce in London in the morning, and at $41.70 (£17.238) in the afternoon, before rising further by the close, to $41.80-42.00, the highest for just on two years. Conditions were very active, and turnover was good, with speculative interest apparently the main factor. The unsettled foreign market conditions, suggestions of worsening in the U.S. balance of payments and rumours that France might ask to exchange dollars for gold, all played a part. Double Eagles gained $1½ to $$66½-67½, and half $½ to $32½-33½. In Zurich, gold ended at $41.75-41.95, against $41.15-41.30 previously. In Paris, the 12½-kilogramme gold bar was raised 43 cents an ounce to $41.68 at the noon fixing, and gained a further 11 cents at the afternoon. The one kilogramme ingot hardened 42 cents an ounce to $41.73. Turnover at the Bourse meeting rose to Frs.6.4m., from Frs.4.5m. on Wednesday. Silver was fixed 0.6p an ounce higher spot in London, at 64.4p. Three-month and six-month prices were also up 0.6p, but the 12-month rose 0.7p. A fair business was done.

EXCHANGES

Sterling fell $\frac{1}{32}$ cent. on balance against the U.S. dollar to 2.41\frac{9}{16}$, with the change in the settlement period to cover the weekend against its favour. The day-to-day swap position was in the pound's favour. Short-term Euro-dollar rates showed mixed movements, but Euro-sterling rates were generally higher, and forward sterling weakened. The 3-month discount on the pound touched ⅜ cent. at one point, and widened $\frac{1}{16}$ on balance to ⅜, while the 6-month touched 1$\frac{3}{32}$, and widened $\frac{1}{32}$ net to 1, and the 12-month touched 2$\frac{11}{32}$, and widened $\frac{5}{32}$ on the day to 2$\frac{1}{16}$. The German mark opened at DM3.46 to the dollar, its highest since it was floated in early May, and closed at DM3.4650½, for a net gain of 34½ points. Belgian francs were at their official dollar ceiling, with official support apparently being given to the dollar in Brussels, and there was also said to be support for the dollar in Paris. Canadian dollar rose appreciably by 22 points to 98.28½ U.S. cents.

FOREIGN EXCHANGES

July 22 1971	Bank Rate %	Market Rates Day's Spread	Market Rates Close
New York	6	2.41⅜-42	2.41$\frac{7}{16}$-42
Montreal	5¼	2.48 ⅝	2.48-¼
Amst'dam	5½	8.56-61	8.58¾-59¼
Brussels	6	119.90-120.15	120.00-10
Copenh'gn	7½	18.12-14½	18.12½-13½
Frankfurt	5	8.36¼-39¼	8.39 ½
Lisbon	3¾	66.65-69.05	68.92-92
Madrid	6††	168.05-56	168.12-22
Milan	5	1,505-08¼	1,508¼-¾
Oslo	4½	17.17-19½	17.17½-18½
Paris	6¾	13.32½-35	13.33½-34
Stockh'lm	5	12.47-49	12.47½-48
Tokyo	5½	865-868	864-865
Vienna	5	60.20-45	60.30-35
Zurich	3¾	9.87-90	9.88½-89

N.B. Bank of England official limits for U.S. $2.38-42. A Bank of Portugal discount rate. †† Basic discount rate.

OTHER MARKET RATES

Australia	2.1429-1514	Malaysia	7.[illegible]
N.Zealand	2.1367-1492	Argentina	10.60-10.[illegible]
S.Africa	1.7121-7207		¶12¼-13
†India	5.5230-5605	Brazil	12.66-12.[illegible]
†♠Pakistn	8.737-63		¶13¼-16
Ceylon	14.170-302	France	¶13.10-40
*Hng Kng	14.550-614	W.G'm'y	¶8.30-45
Luxemb'g	120.00-10	Spain	¶167-169
Belgium	¶120-121	Greece	72¼-[illegible]
Italy	♥¶1485-1515	Switzerl'd	¶9.85-[illegible]
Holland	¶8.50-65	Austria	¶60-60¾

¶ Note rates quoted by specialist dealers. Other rates may be quoted elsewhere. † £'s per 100 Rps. ♠ Tourists receive 45 per cent. bonus on foreign currency surrendered to banks in Pakistan. ♥ Rate for all denominations. * Hong Kong dollars in the pound.

U.S., Canada 98.27-98.38.

FORWARD RATES

—	One month	Three months
New York	$\frac{1}{32}$-$\frac{1}{16}$ c. pm	$\frac{3}{16}$-$\frac{1}{16}$ c. pm
Montreal	½-¼ c. pm	1$\frac{1}{16}$-1$\frac{1}{16}$ c. pm
Amst'dam	3-2 c. pm	7-5 c. pm
Brussels	32-12 c. pm	90-70 c. pm
Copenh'n.	Par-5 ore dis	3-8 ore dis
Frankfurt	1½-½ pf. pm	3-2 pf pm
Lisbon	30 c. pm-par	30c. pm-par
Milan	3-1 lire pm	5¼-3¼ lire pm
Oslo	5 ore pm-par	8-3 ore pm
Paris	2-1 c. pm	5¼-4¼ c. pm
Stockh'lm	¼ ore pm-¾ dis	¼ ore pm-¾ dis
Vienna	10 gro. pm-10 dis	25 gro. pm-par
Zurich	2¼-1¾ c. pm	6⅝-5⅞ c. pm

EXCHANGE CROSS-RATES

EURO-CURRENCY INTEREST RATES

OVERSEAS SHARE INFORMATION

Investment $ Premium 23⅞% (23¼%)

NEW YORK

RAILROADS

INDUSTRIALS, ETC.

PUBLIC UTILITIES

TRUSTS, BANKS & BONDS

TORONTO

MONTREAL

GERMANY

AMSTERDAM

OSLO

PARIS

BRUSSELS

SWITZERLAND

VIENNA

MILAN

TOKYO

Source Nikko Securities, Tokyo.

STOCKHOLM

COPENHAGEN

AUSTRALIA

JOHANNESBURG

MINES

INDUSTRIALS

STOCK EXCHANGE REPORT

Equity tone much improved but rally not sustained

Share index up 1.3 at 405.7—Tate and Lyle erratic

ACCOUNT DEALING DATES

Option *First Dealings	Declarations	Last Dealings	Account Day
July 12	July 22	July 23	Aug. 3
July 26	Aug. 5	Aug. 6	Aug. 17
Aug. 9	Aug. 19	Aug. 20	Sept. 1

* "New time" dealings may take place from 5 p.m. three business days earlier.

The rally seen in equities late on Wednesday was taken a stage further yesterday morning, but prices tended to drift back towards the close. The early buying was reported to be fairly good investment demand, but there was also speculative interest and some for "new-time" which was mainly in special situation stocks. Although best levels were not always held by the close the undertone remained firm. The Financial Times Industrial Ordinary share index, up 3 points at its best at noon, ended 1.3 higher on the day at 405.7. Yet another index stock disappointed the market with a trading statement. This time it was Tate and Lyle, which reported a sharp loss on its *business in Argentina. However,* consideration of the profits forecast for the full year brought about a good recovery and Tate and Lyle's price ended only 3p down on the day at 153p, after 147p.

Second-line equities had an irregular appearance. Profit-taking adversely affected those issues which have had a good rise recently and buying was seen in stocks that missed out in the general advance. Home Banks were very active and, with profit-taking predominating, falls ranged up to 14p as in Barclays *and Midland. Trust Houses Forte* made a spirited recovery and regained 11p at 128p after the previous two-day fall of 21p on adverse rumours concerning a Boardroom dispute and the possi*bility of poor interim results;* a reassuring Press report about the interim figures, due to be announced next Monday, was carried in yesterday's Financial Times.

Gilts quiet

Active trading was again reflected in bargains marked at 13,653 compared with 13,051 a week ago. The ratio of rises-to-falls in all FT-quoted Industrials contracted slightly to about 7-4 compared with 2-1 on Thursday.

British Funds became a much *quieter and steadier market after* the previous day's fluctuations. Interest in the mediums and longs was mainly public and, after a fair amount of two-way business, prices closed with a few scattered gains ranging from 1/8 to 1/4. In the shorts, most of the activity took place in the old "tap" stock, Exchequer 6 1/2 per cent. 1976, which picked up 1/16 to 98 5/16 after their recent *setback. Corporations* made a mixed showing, while continued demand in a market short of stock left Southern Rhodesians 2 points higher.

Interest improved in the investment dollar market and, with buyers particularly active, the premium rose 1/2 more to 23 3/4 per cent., after 24 1/4 per cent.

In New Issues, NSS Newsagents were notable for a rise of 5p at 80p.

Banks above worst

Heavy dealings again took place in Home Banks; further profit-taking caused a fresh retreat, but prices closed 6p or so above the day's worst with net losses extending to 14p. In front of to-day's interim results, Midland ended 14p down at 516p, after 510p, and Lloyds 6p easier at 554p, after 548p. Scottish Banks, however, improved to new peaks for the year, National and Commercial ending 5p higher at 145p. In Overseas issues, Lloyds and Bolsa gave up 10p more at 355p. The Bank of England's new Discount market rules had no apparent effect on Discount House shares. Singer and Friedlander rose 8p to 228p in irregular Merchant Banks. Hire Purchases closed a little easier after a quiet day's trade. Insurances were quietly mixed, but there was good buying of selective Lloyds brokers. *Stimulated by favourable Press* comment, Minet Holdings moved ahead 20p to 365p. C. T. Bowring rose 14p to a new 1971 "high" of 462p

Vaux, up 13p at 360p, on the results, provided the only feature in a quietly firm Brewery section. Truman Hanbury held at 416p and Grand Metropolitan Hotels gained 2p at 104p. Watney Mann closed unaltered at 116p, but I.D.V. improved 1p to 74p.

Building issues generally made further headway. Marchwiel rose 6p to 249p, while Redland, 100p, and Marley, 102 1/2p, both put on 2 1/2p apiece. *Phoenix Timber continued* to meet with demand following the property revaluation and closed 4p better at 63p, while gains of 5p were seen in Tunnel Cement "B," 179p, and A. Gunn, 132p. Easier before the interim statement, Leyland Paint rallied after the news to close unchanged on the day at 53p. Following the lower interim profits, Mears Bros. reacted 4p to 44p.

ICI, in a reasonable day's business, closed 2p higher at 311p, after 314p.

Buying in a thin market helped British Lion improve 7p more to 68p, while Trident TV "A" ended 4p better at 58p. Granada "A," however, reacted 8p to 390p.

BSR advance

In generally firm Electricals, BSR were prominent and advanced 22p to a new peak for the year of 375p on good demand in a market *none-to-well supplied with stock.* A reasonable day's business left GEC 4p firmer at 150p. Plessey rallied to 115p, but then declined to 110p, before finishing unaltered on the day at 112p on nervous *trading* ahead of the results. Thorn touched a new 1971 "high" of 385p and then came back to 380p in front of the "after-hours" results; on the good profits rise, the shares improved to 382p, up 2p *on* the day. AB Electronic appreciated 5p to 92p and Dorman Smith "A" 10p to 145p, while Electronic Machine closed 4p better at 52p. Muirhead, however, declined 4p to 51p.

Stores staged a mild recovery, with rises of around 3p seen in Marks and Spencer, 448p, and United Drapery, 141 1/2p. On the bid front, House of Fraser picked up 6p at 214p, while E. Dingle were 2p better in sympathy at 137p. Elsewhere, J. Collett improved 3p to 60p on the news of the acquisition of a near 15 per cent. stake in the company by Mr. Ronald Lyon. Trutex, 104p, and W. H. Smith A, 520p, had gains of 7p and 15p respectively. Also firm were A. and S. Henry, 4p up at 59p, Court Bros A, 6p higher at 186p and Bentalls, 3p to the good at 81p. Among isolated dull spots, Maple were 4p easier at 109p and Bensons Hosiery 1p lower at 30p, after 27p.

Metal Box weak

Marked weakness developed in Metal Box, down 15p at 385p, before and after the chairman's statement at yesterday's annual meeting. Other leading Engineers also became unsettled, Tube Investments closing 5p off at 428p, after an initial recovery to 435p. Elsewhere, Fluidrive were marked up 60p to 277 1/2p in front of the bid from Wellman, slightly cheaper at 41 1/2p. Trading results helped Cooper Industries, 26p, and Electro-Hydraulics, 21p, both up 2p, but on further profit-taking Mitchell Somers were 2p lower at 20 1/2p. Other dull features included Longmore Bros., 160p, and Spear and Jackson, 150p, which incurred losses of 20p and 15p respectively. Profit-taking lowered Charles Roberts 8p to 257p. Machine Tools had firm spots in Jones and Shipman, 5p better at 100p, and E. G. Herbert, 4p higher at 41 1/2p.

Miles Redfern up

On news of the revised offer from British Vita, unaltered at 284p, Miles Redfern advanced 11p to 101p. Rank Organisation "A", down to 832p at one stage, rallied on U.S. support to end 7p better on balance at 850p. Lancaster Carpets met "new-time" buying and gained 6p to 240p, while Tremletts rose 2p more to 142p on the profits forecast. After reacting to 75p on the results, Geo. Kent rallied well to close only 1p off on the day at 94p following the statement, issued later, on profitability. Booker Bros. advanced 6p more to 102p, while rises of around 9p were seen in Kleeman, 270p, Steetley, 199p, and Unilever, 321p. Firmness in Pleasurama, up 6p at 65p, accompanied talk of a bid. Avon Rubber, a good market of late, came back 13p to 341p.

In generally firm Foods, Tate and Lyle were a notable exception at 153p, down 3p, after 147p, following news of the loss in Argentina. Also dull were Allied Suppliers, 6p lower at 246p, and Spillers 1 1/2p off at 50p. *Reckitt* and Colman, on the other hand, improved 6p to 293p, while other firm spots included Fitch Lovell 84 1/2p, and S. and W. Berisford, 114p, both about 3p higher. Glass *Glover closed a shade harder at* 27p in response to the interim results. On the bid front, Bovril hardened 1p to 371p, while Cavenham Foods put on 5p to 97p and Rowntree Mackintosh held steady at 509p.

Trust Houses Forte regained 11p at 128p following Press comment which was more reassuring about *next Monday's interim results.*

The Motor sections attracted fresh investment demand. British Leyland closed 3/4p up at the day's best of 45 1/2p following the record *Rover sales in the first six* months. On further consideration of the good half-yearly results, York Trailer rose 11p to 129p, while good Component features included Joseph Lucas, 9p higher at 259p, *Dunlop, 146p, and Brown* Bros. and Albany, 152p, which gained 5p apiece. Reflecting the higher first-quarter figures, Godfrey Davis put on 4 1/2p at 139p. Lex Service advanced 6p more to 236p. *Caffyns regained 6p at 121p* and, in a restricted market, T. C. Harrison jumped 7p to 70p.

A brisk business took place in Star (Great Britain), up 4 1/2p at 180p, after a new 1971 peak of 182p. There was little else of note in Properties, apart from Grand Junction, which rose 5p to 130p, after 131p, still on bid speculation. Berkeley, 137p, and North British, 163p, gained 3p apiece, while U.K. Property advanced 6p to 167p.

Fresh investment buying lifted Reed International 4p more to 208p, but following the stormy annual meeting, British Printing lost 2p at 20p. Eden Fisher moved up 5p to 66p and, in Newspapers, News International encountered *fresh support and rose 5p to 191p.*

Turnover in Oils was smaller and modest early gains were given up as prices drifted lower in the later trading. Shell closed 4p *down at 407p, while British Petroleum* ended unchanged on the overnight level of 615p. Burmah touched 464p, but finished only 1p better at 457p. Australians recovered in line with the trend "down-under." Woodside regaining 9p at 53p and Mid-Eastern 4p at 26p.

There was not a great deal of interest shown in Trusts, but Anglo-Welsh Capital provided a bright spot at 69p, up 7p, while "Ediths" put on 5p more to 505p. Rothschild, on the other hand, declined 6p further to 455p. S. Pearson improved 4p to 225p in Financials, and Neville Group were similarly better at 72p. NMC Investments rose 2 1/2p to 21p in response to the new offer of 22p per share from 1970 Trust.

Cunard active

There was a good business in leading Shippings, which mainly gained ground. Cunard hovered around the 200p level during an active trading session pending further developments in the Trafalgar House bid situation. British and Commonwealth gained 7p to 205p and Furness Withy 4p to 286p, while P and O Deferred were 2 1/2p better at 182p.

Despite a late rally, "Bats" closed 11p down at 309p, after 365p. Gallaher, however, were firm at 139p, up 6p, in front of to-day's *interim results.* Carreras B were also in demand and put on 2p at 38p.

Carpet shares were again favoured with Tomkinsons outstanding at 90p, up 11p. Youghal gained 3p at 168p and Homfray rose 1p further to 76p. Elsewhere in the Textile group, Courtaulds were firm at 125p, up 6p.

Golds firmer

The recent strength in the bullion price—it closed at a two-year high level of $41.00 yesterday—and renewed speculation as to the future of the U.S. dollar, extracted a mild response from Gold shares. Moderate general buying, including some on U.S. account, was reported and gains ranged to 10p in West Drie at 925p, 7p in East Drie at 177p and both Kloof, 257p, and President Steyn, 233p, added 4p.

Among Financials, Anglo American put on 9p to a year's high of 358p while Gold Fields *rose 10p to 239p as did* Rand Selection at 650p. De Beers were 4p higher at 214p and RTZ added 7p at 244p. Following the meeting, Selection Trust were 5p lower at 710p. CAST, however, were 2p to the good at 222p after 218p.

Falls outnumbered rises in Australians although among the latter Alliance Oil jumped 6p to 161p while Alliance Petroleum hardened 2 1/2p at 12 1/2p. Poseidon recovered half a point to £10. Peko-Wallsend declined 8p to a year's low of 407p and Whim Creek eased 4p to 168p.

Copper shares recorded little change although a rather belated reaction to Botswana RST's rights issue terms took 20p from the shares at 370p. In Tins, Idris (36p) and Sungei Besi (47p) were both a shade lower following the companies' respective statements concerning possible forgery of stock certificates.

The continued weakness in Canada lowered Tara Exploration 30p more to 785p while Northgate eased 5p to 460p.

FINANCIAL TIMES STOCK INDICES

	July 22	July 21	July 20	July 19	July 16	July 15	A year ago
Government Sec.	74.99	74.97	74.83	75.44	75.74	75.49	69.50
Fixed Interest	74.52	74.54	74.53	74.75	74.77	74.58	71.16
Industrial Ordinary*	405.7	404.4	408.9	413.1	410.0	406.2	337.5
Gold Mines	53.0	53.2	53.3	53.5	52.6	52.4	50.0
Ord. Div. Yield pc	3.60	3.61	3.77	3.74	3.76	3.81	4.96
Earnings Yield pc (a)	5.90	5.88	5.81	5.77	5.81	5.87	6.75
P/E Ratio (a)	16.95	17.01	17.21	17.33	17.23	17.03	14.74
Dealings Marked	13,653	14,022	15,909	16,617	14,491	13,051	7,505

*10 a.m. 406.6 Noon 407.4 ... p.m. 406.0

(a) Based on 40% corporation tax from March 30, 1971.

HIGHS AND LOWS

	1971 High	1971 Low	Since Compilation High	Since Compilation Low
Govt. Secs.	75.74 (16.7.71)	68.83 (4/1/71)	127.4 (9/1/35)	64.21 (11.6.69)
Fixed Int.	74.77 (16.7.71)	69.63 (4.1.71)	150.0 (28/11/47)	67.12 (11.6.69)
Ind. Ord.	415.1 (13/7 71)	305.5 (3.5 71)	521.9 (19.9.69)	49.4 (26.6.40)
Gold Mines	61.3	52.5 (9.7.71)	100.0 (17.8.55)	44.0

S.E. ACTIVITY

	July 22	July 21
Daily—		
Gilt-Edged	183.5	170.3
Industrials	501.1	546.6
Speculative	185.6	1.0.9
Totals	310.5	319.2
5-day ave.—		
Gilt-Edged	200.4	211.2
Industrials	564.2	558.3
Speculative	170.4	169.8
Totals	340.9	333.2

Basis 100 Govt. Secs 15.10.26 Fixed Int. 1928 Ind. Ord. 1.7.35. Gold Mines 12.9.55. S.E. Activity July-Dec. 1942. ‡ Corrected figure.

OFFSHORE AND OVERSEAS FUNDS (p★★★)

				§ Yield %
Albany Management Co. Ltd. Utility Hs. PO Box 463, Hamilton, Bermuda				
Albany Fund Ltd.	£4.91	£5.30	......	1.00
American Express Inv. Mngmt. Co. 154, Edward St., Brighton, U.K. BR1				
Am.Ep'ss Int.Fd.	$9.14	9.73	-0.08	—
Anchusa Co. Ltd. P.O. Box 195, Hamilton, Bermuda.				
Japan Gr'wth Fnd	US$8.76	10.35	......	—
Do. Do. Stg. Tst.	90.0	96.0	......	—
Australian Selection Fund N.V. Lond. Agent Southern Cross Mgmnt., Ltd. 65, London Wall, E.C.2 01-638 0891				
U.S.$10 Shares		US$7.00	-0.25	—
Next subscription day July 29.				
Banque de L'Union Parisienne 6-8, Bld. Haussmann, Paris 9e.				
Tokyo Valour	$12.22		-0.27	—
Eurosyndicat Group				
Euronion Lux F.	1,886	1,961	......	3.21
Finance Union Lux F.	540	562	......	3.02
For Sterling Dealing Prices contact London Agents M.M. Rothschild & Sons, Ltd., 626 4356, Hill Samuel & Co. Ltd. 628 8011.				
Fidelity Mangmt. & Research Co. Boston, Massachusetts.				
Fidelity Trend Fd.	$24.68	26.97	-0.7	2.26
Do. Capital Fd.	$12.18	13.31	-0.01	2.62
Fidelity Mangment. and Research (Bermuda) Limited				
Fidelity Int. Fnd.	$14.96		......	—
Fidelity P'cific Fd.	$11.73		......	—
For additional information contact Julius Baer International Ltd. 38, Mincing Lane, E.C.3. 01-626 5183				

AUTHORISED UNIT TRUSTS (p★★★)

INSURANCE, PROPERTY, BONDS

STOCK EXCHANGE DEALINGS from the Official List for July 22

Thursday, July 22	13,653	Tuesday, July 20	15,909	Friday, July 16	14,490
Wednesday, July 21	14,022	Monday, July 19	16,817	Thursday, July 15	13,051

The list below gives the prices at which bargains done yesterday by members of the London Stock Exchange were recorded in the Stock Exchange Daily Official List. Members are not obliged to mark bargains except in special cases, and the list cannot, therefore, be regarded as a complete record of prices at which business was done.

Bargains are recorded in the Official List up to 2.15 p.m. only, but later transactions can be included in the following day's Official List. No indication is available as to whether a bargain represents a sale or purchase by members of the public. Markings are not necessarily in order of execution, and only one bargain in any one security at any one price is recorded.

The number of dealings marked in each section follows the name of the section. Unless otherwise denoted shares are £1 fully paid and stock £100 fully paid. Stock Exchange securities are quoted in pounds and fractions of pounds or in new pence and fractions of new pence.

‡Bargains at Special Prices. Δ Bargains done with or between non-members. ф Bargains done previous day. § Bargains done with members of a recognised Stock Exchange. ♣ Bargains done for delayed delivery or "no buying-in." $A—$Australian; $B—$Bahamian; $C—$Canadian; $HK—$Hong Kong; $J—$Jamaican; $Ma—$Malayan; $Me—$Mexican; $NZ—$New Zealand; $S—$Singapore; $US—$United States; $WI—$West Indian.

BRITISH FUNDS, ETC (852)

CANALS & DOCKS (2)

COMMCL., INDUSTRIAL (7,998)

A—B

CORPN. & COUNTY—U.K. (151)

FREE OF STAMP DUTY

PUBLIC BOARDS, ETC.—U.K. (22)

FREE OF STAMP DUTY

SUBJECT TO STAMP DUTY

COMMONWEALTH GOVT. AND PROVINCIAL SECURITIES (55)

COMMONWEALTH CORPN. STOCKS (1)

FOREIGN STKS., BDS., ETC. (9)

COUPONS PAYABLE IN LONDON

CORPN. STKS.—FOREIGN

U.K. COMMONWEALTH RAILWAYS (8)

FOREIGN RAILWAYS (3)

BANKS & DISCOUNT COS. (806)

BREWERIES & DISTILLS. (353)

British Steel Constructions (Birmingham) (25p) 6¼ ¼ ½
British Tar Products (12½p) 31½ф 2
British Tobacco (Aust.) ($A1) 94
British Vending Inds. (10p) 34½ф
British Vita (25p) 287ф
Brittain Press (20p) 73
Brittains (25p) 38½ф 9. 10½pcDb. 98ф
Britton (G.B.) Sons (Hldgs.) (25p) 29½ 30
Brockhouse (J.) 190
Brook Street Bureau Mayfair (10p) 146½

C—D

E—F

Edwards (Louis C.) Sons (Manchester) (5p) 24ф
Eldridge Stableford 17¾ф 18 17¾
Eleco Holdings (10p) 20½ф 1ф 1
Electrical Industrial Secs. (25p) 8½ф ¾ ¼
Electrocomponents Assocd. (10p) 280
Electro-Hydraulics (25p) 19½ф
Electronic Rentals Gen. Hldgs. (5p) 82½ф 1½ф ¾ф 2 1½ ¼. 5½pcUnsec.Ln. 125
Elevators Engineering (50p) 54½ф 50
Elliott (B.) (25p) 41 3

G—H

I—J—K

Jacks (W.) (25p) 18ф
Jackson (J. H. B.) (5p) 21 ½
James (J.) (25p) 29ф 8½
Jamesons Chocolates (10p) 29
Janes (H. C.) (25p) 94ф 2 3
Jenkin Purser (5p) 17½
Jentique (5p) 17½ф ½
Jerome (S.) (25p) 54
Jessups (10p) 23 ½
Jayes (25p) 93ф 2½ 3
Johnson (C. H.) (25p) 29ф 8¼ф

L—M

N—O—P

Ocean Wilsons (Hldgs.) (20p) 30½
Oceana Laundry 6pcPf. (50p) 25
Office Electronic Machines A (25p) 104ф. New 104ф
Ofrex Grp. (20p) 174ф 9
Oldham Intnl. (5p) 29½ф 9 30
Olives Paper Mill (20p) 44ф
Olympia (12½p) 122ф 3
Opperman Hldgs. (5p) 5
Osborn (Samuel) (25p) 60
Oxley Printing Grp. (25p) 19½. 6½pcPf. 44ф

Q—R—S

T—U—V

W—Y—Z

Wilson (Connolly) (25p) 88ф
Wimbledon Stadium Dfd. (5p) 28½ф
Wimpey (George) (25p) 164 2
Wingard (10p) 16½ 16 17½
Winn Industries (20p) 29ф 7 ½ 8
Winsor Newton (25p) 165ф 60
Wolseley Hughes New 27½ 6 ½ 8½ 30 29 31
Wolstenholme Bronze Powders (25p) 212
Wombwell Foundry Engin. (10p) 19ф 17½
Wood Sons (Hldgs.) (5p) 10 9½
Wood Bastow Hldgs. (20p) 114
Wood Hall Tst. (25p) 96. 10½pcLn. 102½ф ¾
Wood (S. W.) Grp. (20p) 53 ½

ELEC. LIGHTING & POWER (6)

FINANCIAL TRUSTS, ETC. (275)

GAS (18)

INSURANCE (355)

INVESTMENT TRUSTS (734)

Fundinvest Inc Shs. (25p) 28½ф. Cap.Shs. 369ф 70ф 67 70 4
General Consolidated (25p) 67½ф
General Scottish 5½pcLn. 94
Giltspur (10p) 149½ф 50ф 48½ 8
Glendevon (25p) 103 2½. B (25p) 11½ 10½
Globe (25p) 145ф 4ф ½ 3½ 5½ 6 5
Govts. St. Other Secs. Dfd. (25p) 140 40
Gt. Northern (25p) 99½ф 9 ½
Greenfriar (25p) 98ф 7½ф
Gresham (25p) 96½ 6 5
Guardian (25p) 77½

FOOD PRICE MOVEMENTS

	July 22	Week ago	Month ago
	£ per ton	£ per ton	£ per ton
§BACON			
Danish A.1†	345	360	360
British A.1	325	340-45	340-45
Irish Special A	330	345	345
Polish A.1†	325	340	325
Ulster A.1	325	340	340
§BUTTER	per cwt	per cwt	per cwt
N.Z. packet	24.15	24.15-.35	22.25-24.45
Australian packet	24.15	24.15	24.15
Danish salted packet†	26.95-27.00	26.95-27.00	26.95-27.00
§CHEESE			
English cheddar white creamery selected	20.25	19.25	—
N.Z. finest rindless 40-lb blocks	16.80	16.80	15.80
*EGGS			
Home-prod. Standard	1.40-1.65	1.40-1.65	1.75-1.90
Large	1.50-1.80	1.60-1.80	1.95-2.05
	July 22 per lb	Week ago per lb	Month ago per lb
BEEF	p p	p p	p p
Scotch killed sides	18.5—20.8	17.5—20.6	19.0—21.5
Eire forequarters	13.3—14.2	11.7—12.5	12.7—13.8
Argentine chilled rumps	30.0—33.8	30.0—35.0	37.5—40.0
LAMB			
English	15.8—20.0	15.0—20.0	15.0—20.8
N.Z. 2s—Ds	12.5—14.2	12.5—14.0	12.8—14.2
PORK (all weights)	10.0—14.2	10.0—14.2	10.0—15.0
MUTTON			
English ewes	6.0—7.0	6.0—7.5	6.0—7.5
‡POULTRY			
Broiler Chickens (all weights—oven ready)	13.5—15.0	14.5—15.0	14.5—15.5

* Prices per 120 eggs on Tuesday, July 20. † Ex-quay. ‡ Prices on July 21. § London Provision Exchange prices.

هكذا من الأصل

PROPERTY (511)

RUBBER (108)

TEA & COFFEE (22)

TRAMWAYS & OMNIBUS (8)

WATERWORKS (21)

SPECIAL LIST

RULE 163 (1) (e)

Bargains marked under Rule 163 (1) (e) in securities for which quotation has not been granted and which are not recorded in the Official List.

JULY 22

F.T.—ACTUARIES SHARE INDICES

These indices are the joint compilation of The Financial Times, The Institute of Actuaries and the Faculty of Actuaries in Edinburgh

	EQUITY GROUPS / GROUPS & SUB-SECTIONS (Figures in parentheses after sectional names show number of stocks.)	Thursday, July 22, 1971: Index No.	Day's Change %	With 40% Corporation Tax: ††Est. Ern'ngs yield %	††Est. Price Er'n'ngs Ratio	Div. yield %	Wed. July 21 Index No.	Tues. July 20 Index No.	Monday July 19 Index No.	Friday July 16 Index No.	Year ago (approx) Index No.	1971 High	1971 Low	Since compilation High	Since compilation Low
1	**CAPITAL GOODS GROUP (184)**	154.63	+1.0	6.09	16.41	3.84	153.15	164.39	151.50	150.09	114.68	154.63 (22/7)	104.03 (2/3)	181.50 (13/9/68)	82.82 (25/6/62)
2	Aircraft and Components (3)	110.03	+1.0	7.44	13.44	5.67	108.94	109.27	106.95	102.54	81.66	110.03 (22/7)	66.40 (3/3)	260.12 (22/9/66)	66.40 (3/3/71)
3	Building Materials (29)	155.64	+0.5	4.92	20.31	3.45	155.90	157.46	157.52	156.55	98.88	157.52 (19/7)	98.30 (2/3)	167.98 (20/9/68)	88.01 (25/6/62)
4	Contracting and Construction (19)	224.89	—0.1	6.08	16.45	2.58	226.07	225.32	221.49	220.49	190.50	225.32 (20/7)	152.65 (26/3)	229.19 (31/1/69)	84.39 (27/6/62)
5	Electris. (ex. Electrn. Rad. & TV) (13)	268.95	+1.7	5.20	19.24	3.05	264.45	269.67	265.86	264.26	161.75	269.67 (20/7)	174.23 (2/3)	335.11 (17/9/68)	84.71 (25/6/62)
6	Engineering (80)	145.85	+1.1	6.58	15.19	4.24	144.31	145.54	140.67	139.02	111.26	145.85 (22/7)	102.56 (2/3)	160.85 (13/9/66)	82.90 (26/6/62)
7	*Machine Tools* (15)	55.09	+0.8	7.61	13.13	6.24	54.59	54.82	52.08	51.12	55.28	55.09 (22/7)	43.86 (8/3)	136.70 (4/7/66)	43.86 (5/3/71)
8	Miscellaneous (25)	130.57	+1.2	7.95	12.57	4.50	129.03	127.52	125.76	125.05	114.12	130.57 (22/7)	94.19 (2/3)	144.27 (31/1/69)	69.01 (2/11/66)
9	**CONSUMER GOODS (DURABLE) GROUP (56)**	167.33	+1.5	5.18	19.30	3.04	164.79	166.20	163.00	161.58	128.99	167.33 (22/7)	117.33 (2/3)	197.87 (15/1/69)	79.96 (25/6/62)
10	Electronics, Radio and TV (14)	172.69	+0.1	5.66	17.67	2.45	172.46	173.31	170.43	170.46	141.61	174.91 (24/6)	128.51 (2/3)	199.86 (19/9/63)	71.10 (6/11/66)
11	Household Goods (15)	186.43	+0.2	6.22	16.08	3.55	185.96	186.20	179.17	177.88	122.14	186.43 (22/7)	115.92 (8/3)	186.43 (22/7/71)	86.65 (26/6/62)
12	Motors and Distributors (27)	117.36	+3.6	4.33	23.09	3.58	113.28	114.99	113.04	111.00	87.68	117.36 (22/7)	78.91 (2/3)	170.59 (15/1/69)	75.92 (24/10/62)
13	**CONSUMER GOODS (NON-DURABLE) GROUP (175)**	162.42	+0.9	5.51	18.16	3.76	160.91	163.25	164.32	164.68	115.75	164.68 (16/7)	118.17 (3/4)	164.68 (16/7/71)	83.71 (6/11/66)
14	Breweries (21)	185.26	+0.2	5.30	18.86	3.42	184.92	187.31	194.02	193.62	120.18	194.97 (15/7)	123.30 (4/1)	194.97 (15/7/71)	80.39 (30/2/65)
15	Wines and Spirits (7)	178.76	+2.2	5.85	17.14	3.91	174.91	180.86	183.14	186.91	141.26	196.05 (14/7)	142.41 (4/1)	196.05 (14/7/71)	118.78 (15/6/70)
16	Entertainment and Catering (15)	204.22	+1.6	7.01	14.27	3.80	200.95	206.11	214.17	214.39	173.42	214.39 (16/7)	177.99 (2/3)	231.89 (21/1/69)	80.11 (23/7/62)
17	Food Manufacturing (24)	139.95	+0.7	5.69	17.59	3.92	138.95	141.40	141.52	141.06	101.51	141.52 (19/7)	99.74 (2/3)	171.54 (31/1/69)	95.98 (16/6/70)
18	Food Retailing (17)	135.45	—0.1	5.56	18.00	3.64	135.54	136.98	137.30	137.19	96.19	137.30 (19/7)	100.23 (2/3)	163.68 (7/8/66)	94.62 (27/5/70)
19	Newspapers and Publishing (15)	138.28	—0.3	6.21	16.10	5.13	138.64	137.78	136.12	134.23	106.82	138.64 (21/7)	101.66 (15/1)	184.86 (26/1/69)	81.74 (23/7/62)
20	Packaging and Paper (16)	116.84	—1.0	6.59	15.17	4.45	118.07	118.79	116.15	114.24	101.93	118.79 (20/7)	88.61 (2/3)	134.63 (2/1/69)	87.91 (25/6/62)
21	Stores (30)	156.39	+1.2	4.36	22.95	2.97	154.53	156.58	155.42	156.45	100.44	156.58 (20/7)	104.48 (2/3)	156.58 (20/7/71)	72.74 (2/11/66)
22	Textiles (21)	171.26	+2.5	5.77	17.32	5.28	167.05	171.58	169.56	170.67	131.96	171.89 (21/6)	137.81 (2/3)	253.72 (17/8/68)	89.90 (20/7/62)
23	Tobacco (3)	249.85	+1.0	8.62	11.73	5.32	247.41	244.68	251.36	252.21	192.75	252.21 (16/7)	170.92 (20/1)	305.02 (30/1/69)	94.54 (13/6/62)
24	Toys and Games (6)	50.42	+0.2	—	—	5.06	50.30	50.56	50.81	50.11	59.84	59.03 (12/1)	46.56 (25/6)	135.72 (16/1/70)	46.56 (25/6/71)
	OTHER GROUPS														
25	Chemicals (19)	187.14	+1.5	5.38	18.58	3.52	184.37	186.61	186.93	188.22	136.01	188.22 (16/7)	138.18 (10/2)	201.92 (31/1/69)	83.29 (25/6/62)
26	Office Equipment (10)	199.85	—0.1	3.50	28.56	1.50	200.10	205.66	206.02	212.05	124.32	212.05 (16/7)	153.52 (15/2)	212.05 (16/7/71)	109.12 (26/5/70)
27	*Shipping* (10)	305.59	+1.5	7.54	13.26	8.40	300.94	301.70	300.02	301.19	305.53	325.75 (1/4)	259.76 (16/4)	355.44 (9/10/70)	90.80 (29/6/62)
28	Miscellaneous (unclassified) (44)	185.30	+1.0	5.83	17.15	3.71	183.52	185.62	185.74	185.44	127.79	185.62 (20/7)	128.55 (2/3)	185.62 (20/7/71)	76.52 (8/11/66)
29	**INDUSTRIAL GROUP (498 SHARES)**	167.47	+1.0	5.57	17.96	3.62	165.76	167.82	167.26	167.44	—	167.82 (20/7)	120.61 (2/3)	167.82 (20/7/71)	120.61 (2/3/71)
30	Oil (2)	354.77	+0.3	5.71	17.52	3.53	353.63	354.90	359.55	362.16	244.54	362.16 (16/7)	260.74 (2/3)	431.66 (29/5/63)	87.23 (23/5/62)
31	**500 SHARE INDEX**	183.34	+0.9	5.59	17.89	3.61	181.67	183.68	183.54	183.92	131.87	183.92 (16/7)	132.46 (2/3)	193.73 (31/1/69)	84.86 (25/6/62)
32	**FINANCIAL GROUP (121)**	169.23	—0.2	—	—	2.78	169.64	171.67	169.03	167.81	106.84	171.67 (20/7)	119.73 (10/2)	171.67 (20/7/71)	69.38 (30/8/65)
33	Banks (6)	175.59	—1.7	7.86	12.73	2.85	178.61	181.11	171.06	166.65	95.56	181.11 (20/7)	101.66 (6/1)	181.11 (20/7/71)	69.25 (16/6/64)
34	Discount Houses (6)	172.22	+1.0	—	—	4.48	170.53	171.28	170.14	166.09	111.43	172.22 (22/7)	130.72 (6/1)	172.22 (22/7/71)	87.65 (18/6/69)
35	Hire Purchase (6)	258.46	—1.6	4.16	24.05	2.92	262.66	266.31	266.59	264.81	183.97	266.59 (19/7)	188.57 (18/1)	266.59 (19/7/71)	80.02 (3/8/65)
36	Insurance (Life) (9)	153.74	+0.6	—	—	2.82	152.76	154.65	154.55	155.17	116.00	155.17 (16/7)	123.16 (18/1)	159.83 (16/1/69)	61.55 (30/6/65)
37	Insurance (Composite) (9)	131.76	—0.2	—	—	3.24	132.01	134.07	132.63	132.84	77.81	134.07 (20/7)	89.80 (10/2)	134.07 (20/7/71)	54.40 (16/5/65)
38	Insurance (Brokers) (10)	179.08	+2.4	4.89	20.43	2.43	174.81	174.14	174.77	174.91	102.00	179.08 (22/7)	118.27 (4/1)	179.08 (22/7/71)	82.59 (24/7/69)
39	Investment Trusts (20)	196.56	+0.2	2.89	34.56	2.69	196.26	197.96	197.75	198.14	138.46	198.14 (16/7)	152.16 (2/3)	215.04 (31/1/69)	80.84 (25/6/62)
40	Merchant Banks, Issuing Houses (15)	169.54	+0.2	—	—	2.25	169.22	173.43	172.58	170.43	109.65	173.43 (20/7)	108.44 (16/3)	181.25 (14/2/69)	50.47 (15/7/65)
41	Property (31)	207.66	+0.3	2.76	35.99	2.19	207.06	207.86	207.69	206.87	133.14	207.86 (20/7)	139.37 (8/3)	207.86 (20/7/71)	56.01 (20/4/65)
42	Miscellaneous (9)	176.73	—0.1	5.80	17.24	4.18	176.86	178.93	177.90	171.42	—	178.93 (20/7)	120.73 (4/1)	178.93 (20/7/71)	120.06 (31/12/70)
43	**ALL-SHARE INDEX (621 SHARES)**	179.73	+0.6	—	—	3.41	178.56	180.59	179.83	179.81	125.62	180.59 (20/7)	129.47 (2/3)	180.97 (31/1/69)	83.72 (25/6/62)
	COMMODITY SHARE GROUPS *(Not included in the 500 or All-Share indices)*														
44	Rubbers (10)	209.21	—0.7	10.95	9.13	8.46	210.75	211.88	211.55	210.93	134.82	211.88 (20/7)	163.62 (7/4)	211.88 (20/7/71)	84.68 (25/8/65)
45	Teas (10)	89.01	—1.5	17.15	5.83	9.02	90.38	90.61	90.22	90.87	74.82	91.08 (15/7)	78.71 (3/3)	114.64 (14/5/64)	69.96 (14/11/66)
46	Coppers (4)	334.90	—1.1	53.01	1.89	14.76	338.50	343.88	344.60	348.86	269.60	350.50 (12/7)	235.80 (21/1)	350.50 (12/7/71)	94.08 (29/4/62)
47	Mining Finance (11)	105.30	+2.0	5.38	18.60	3.24	103.27	104.55	105.34	106.25	121.65	106.79 (5/7)	96.00 (2/3)	175.90 (28/4/69)	95.00 (2/3/71)
48	Tins (8)	74.38	+0.1	10.67	9.37	8.44	74.32	74.77	74.55	74.61	57.53	74.77 (20/7)	62.11 (4/1)	108.97 (28/6/66)	54.83 (27/5/70)

	FIXED INTEREST	Thurs., July 22: Index No.	Thurs., July 22: Yield %	Wed. July 21	Tues. July 20	Monday July 19	Friday July 16	Thurs. July 15	Wed. July 14	Year ago (approx)	1971 High	1971 Low	Since Compilation High	Since Compilation Low
1	Consols 2½% yield	—	9.13	9.13	9.12	9.04	8.99	9.03	9.05	9.26	—	—	—	—
2	*20-yr. Govt. Stocks* (6)	79.25	‡8.21	79.15	79.05	80.06	80.68	80.19	80.21	72.57	80.68 (16/7)	70.60 (4/1)	115.42 (11/9/65)	68.43 (15/6/70)
3	20-yr. Red. Debentures & Loans (15)	72.37	‡10.20	72.42	72.43	72.44	72.40	72.39	72.40	68.35	72.44 (19/7)	68.42 (4/1)	113.43 (23/10/65)	66.59 (16/6/70)
4	Investment Trusts Prefs. (15)	69.23	10.66	69.23	69.23	69.23	68.51	68.41	68.41	70.58	69.38 (14/6)	66.23 (11/1)	114.41 (13/9/63)	66.23 (11/1/71)
5	Commercial and Industl. Prefs. (20)	74.20	10.40	74.33	74.21	74.16	73.76	73.06	73.00	74.76	74.33 (21/7)	69.02 (13/1)	114.41 (7/10/63)	69.02 (13/1/71)

Section or Group	Base Date	Base Value
Food Manufacturing	29/12/67	114.13
Food Retailing	29/12/67	114.13
Insurance Brokers	29/12/67	96.67
Mining Finance	29/12/67	100.00
Wines and Spirits	16/1/70	144.76
Toys and Games	16/1/70	135.72
Office Equipment	16/1/70	162.74
Industrial Group	31/12/70	128.20
Miscellaneous Financial	31/12/70	120.06
All Other	10/4/62	100.00

‡ Redemption yield.

F.T.-Actuaries indices are calculated by Extel-Communications Limited (a member of the Exchange Telegraph Group) on an IBM 360 computer.

A current list of constituents of the F.T.-Actuaries Share Indices can be obtained from the Publisher, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 13p. By post inland 16p. Commonwealth 16p. Foreign 19p.

CONSTITUENT CHANGES: The following stocks have been reclassified:

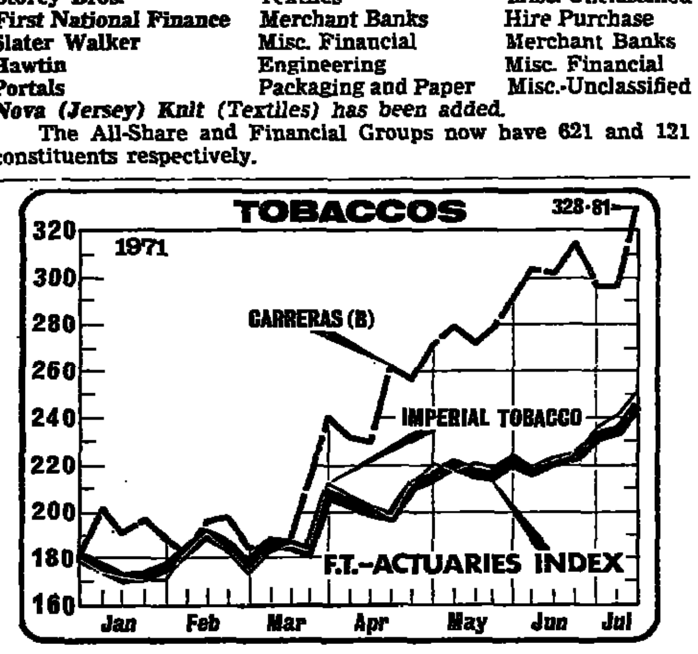
Stock	Old Classification	New Classification
Storey Bros.	Textiles	Misc.-Unclassified
First National Finance	Merchant Banks	Hire Purchase
Slater Walker	Misc. Financial	Merchant Banks
Hawtin	Engineering	Misc. Financial
Portals	Packaging and Paper	Misc.-Unclassified

Nova (Jersey) Knit (Textiles) has been added.

The All-Share and Financial Groups now have 621 and 121 constituents respectively.

(By permission of the Stock Exchange Council)

CORAL INDEX
Close 404-409



In spite of some loss of cigarette sales due to the health campaign against smoking, the Tobacco companies have announced encouraging profit forecasts. Carreras produced a particularly good profits projection in April and, as mirrored above, the shares have performed outstandingly well. In the event, the F.T.-Actuaries Tobacco share index has risen 35 per cent. since the start of the year, exceeding the parent Consumer (Non-Durable) Group's comparable performance of about 31 per cent.

These charts show the pattern of an F.T.-Actuaries index and of prices of two constituents converted to index numbers at weekly intervals over about six months, starting from the same base.

Option Report and three-month "Call" rates

OPTION DEALING DATES

First Dealings	Last Dealings	Last Declaration	For Settlement
July 20	Aug. 22	Oct. 14	Oct. 26
Aug. 3	Sept. 5	Oct. 28	Nov. 9
Aug. 17	Sept. 19	Nov. 11	Nov. 23

New business was quieter yesterday *in the Option market*, but declarations were reported to be heavy. Stocks dealt in for the "Call" were **British Leyland**, *ICI*, **Trust Houses Forte, Hepworth Ceramics, "Lofs," Star** *(GB)*, **Beaverbrook "A," Musical and Plastic, Oil Search, Shell Transport, Staflex International, British Printing, Fitch Lovell,** *EMI, Courtaulds, "Casts," Charterhall Finance*, **"Mams," De La Rue, Dexion, Ralph Hilton, Poseidon and William Press.**

"Puts" were done in **Trust Houses Forte and Stylo,** while double options were completed in **Fisons, Charterhall Finance** and *"Mams."*

Prices in pence unless otherwise stated.

Industrials						Mines	
A. P. Cement	18	G.U.S. "A"	19	Reed Intl.	12	Anglo Amer.	25
Barclays Bank	25	Guardian	14	Slater Walker	20	Broken Hill Prop	62
Beecham	18	Guest Keen	20	Tesco	5	Charter Cons.	22
Boots Drug	11	Hawker Sidd.	17	Thorn 'A'	20	Charterhall Fin.	6
Bowaters	15	Hay's Wharf	20	Tube Invs.	22	Cons. Gold	17
B.A.T.	20	House of Fraser	13	Unilever	20	De Beers Def.	16
British Leyland	5	I.C.I.	14	Utd. Drapery	12	F. S. Geduld	52
British Oxygen	5	"Imps"	6	Vickers	7	Great Boulder	20
Burton "A"	15	I.C.L.	17	Woolworth	5	Hampton Areas	16
Butlin's	5	Int. Stores	7			Hampton Props.	9
Cadbury's	7	Inveresk Paper	6	Property		Kloof	20
Courtaulds	10	Jessel Secs.	25	Cap. Counties	12	Lonrho	10
Cunard	13	Legal & General	22	Land Secs.	12	Loraine	5
Debenhams	14	Lloyds Bank	25	Peachey	7	Metals Explor.	26
Distillers	11	"Lofs"	7	Star. (Gt. Brit.)	10	Newmetal	3
Dunlop	13	"Mams"	14	Town & City	10	Poseidon	£2½
EMI	13	Marks & Spencer	20	Town & Comm.	11	Pres. Steyn	15
Fisons	17	Metal Box	22			Rio-T.Zinc	15
G.R.A. Trust	12	Midland Bank	22	Oils		Welkom	12
Gen. Accident	11	Nat. West Bank	22	Brit. Petroleum	55	West Areas	9
General Electric	9	P.&O. Defd.	15	Burmah Oil	33	Western M'ng	20
Glaxo	25	Plessey	10	Oil Search	4	Zambia Copper	7
		Ralli Intl.	11	Shell	25		
		Rank Org. "A"	47	Ultramar	24		

ACTIVE STOCKS

Prices in pence except where otherwise indicated.

Stock	Denomination	No. of marks	Closing price	Change on day	1971 high	1971 low
Barclays Bank	£1	26	576	−14	602	327½
CAST	25p	22	222	+ 2	273	87
Midland Bank	£1	20	516	−14	550	287½
Courtaulds	25p	17	125	+ 6	136	107
Imp. Chem. Inds.	£1	16	311	+ 2	315	230
Lloyds Bank	£1	16	554	− 6	574	340
Thorn. Elect. 'A'	25p	16	382	+ 2	385	257
Consd. Gold Fields	25p	15	239	+10	285	213½
EMI	50p	15	132	+ 1	189	126
Gallaher	50p	15	139	+ 6	139	103¾
Natl. Westminster	£1	15	578	− 2	580	323¾
Burmah Oil	£1	14	457	+ 1	477	297½
Rank Organ. 'A'	25p	14	850	+ 7	960	687½
Unilever	25p	14	321	+ 8	326	215
Beecham	25p	12	341	+ 2	356	225

The above list of active stocks is based on the number of bargains recorded yesterday in the Official list and under Rule 163 (1) (e) and reproduced to-day in Stock Exchange Dealings.

REGIONAL MARKETS

Markets were generally cheerful yesterday, despite the higher unemployment figures.

Allied Irish Banks rose 5p to 490p on the Irish Exchange, where **CPI** put on 3p to 81p, **Jefferson Smurfit** added ½p at 98½p and **Unidare** were 1p better at 26p.

On the Midlands and Western SE, **Bath and Portland Group** were up 1½p at 37p, while **DRG** at 146p and **UBM** at 137p were each 1p to the good. **British Printing**, however, were lowered 2½p to 20p, while **British Dredging** at 76p and **G. B. Brittain** at 29½p were each off ½p.

Barton and Sons at 65½p, **Enots** at 83p and **J. and H. B. Jackson** at 21½p were each about 3½p better, while **R. Smallshaw** were 2½p up at 20½p.

Stothert and Pitt were 5p better at 75½p, **Reardon Smith** improved 2p to 69p, while **Cardiff Malting** at 30½p and **Homefare** at 19½p were each 1½p higher. **Coated Metals** at 305p and **United Transport** at 124½p were each 5p easier. **Rivlin** lost 3p to 34½p, **David Smith** shed 2½p to 38½p and **John Bland** lost 2p to 37p.

On the Northern Exchange. **J. and J. Dyson** advanced 10p to 77p, the "A" rose 4p to 70p, **Lex Services** further improved 6p to 232p and **Hollingdrake Auto** gained 3p to 63p. **Wagon Finance** moved down 5p to 133p. **Walmsley Bury** put on another 3½p to 96½p, **John Peters** moved up 4p to 120p and **Grattan Warehouses** rose 1p to 291p, but **Empire Stores** shed another 1p to 307p, as did **William Morrison** to 68p.

Ocean Steam gained 2½p to 105p but **Stag Line** surrendered 4p to 100p on profit taking. **Reyrolle Parsons** lost 1p to 164p. **Allied Textiles** improved 2½p to 67½p. *English Calico* put on 1p to 45½p, as did **Qualitex** also at 45½p. **Camrex** moved down 2p more to 145p, as did **Ropner Holdings** to 28p and the "A" shed 2½p to 27½p. **R.C.F.** were 2p stronger at 78p.

Vaux and Associated Breweries moved ahead 5p to 355p on their results. **Adams and Gibbon** met with further buying and rose 2p to 58p. **Tyneside Investment Trust** shed 2p to 392p and **Carliol Investment Trust** were slightly easier at 195p. *Greensitt and Barratt* at 73p and **Stanley Miller** at 24½p each showed minor improvements.

Drakes were dealt in at 166p, *as were* **Rowland Gaunt** *at* 22½p, **Stylo Shoes** at 58p, **B.S. and W. Whiteley** at 25p and **Yorkshire Dyeware** at 194p

Edgar Allen gained 5p to 260p.

On the Scottish SE, **House of Fraser** rose 6p to 214p, **National Commercial Bank** gained 5p to 144p. **Babcock and Wilcox** were 3p higher at 269p and **Scottish Metropolitan Properties** improved 2½p to 112p. **Nairn Williamson** gained 2p to 98p, as did **Seoteros** to 44p. Rises of 1p were seen in **Teachers** at 238p, **Brownlee** at 27p and **Martin Black** at 51p.

Prices in pence and denominations of 25p unless otherwise stated

BELFAST

B'fast C3½%1975	£94	......
B'fast Rope £1	77	+2
Hughes (B) £1	150	......
Vulcanite	107½	......

IRISH EXCHANGE

Exch-6% (80/85)	£74.67	......
Alliance Gas £1	97	......
Cement Road	69	......
Clondlkn Pr.	52½	......
Goodbody £1	57½	......
Goulding	48½	......
Heiton (Hldgs)	65	......
Irish Distillers	110	......
Irish Wire Bds.	75½	......
Jacob 'B'	46	......
Silvermines 5p	21½	+1½
Smith Group	63	......
Sunbeam	42	......
Switzer	82	......
Unidare	26	+1

MIDLANDS & WESTERN

B'ham Post A.	46	+6
Castings 10p	50	......
Clough (A) 5p	9	+1½
Dunn (W. E.) 10p	10	......
Ecosa (10p)	27	+7
Evans Frdk 10p	33	......
Evered	32	......
Fordham Hd 5p	36	−1½
Frost & Reed 50p	135	......
Gardiner £1	100	......
Gordon J. S.	10	......
Graig Ship. £1	330	......
Hal'mShl'gh 10p	11½	......
Hill (Chas) £1	144	......
Kleen-e-ze	48½	......
Lovell's Ship £1	90	......
Lee Trading 10p	25	......
Pearce C. H.	42½	......
Penarth, Eng.	56	......
Sindall (Wm)	37 xd	......
Smith (Herm).	10	......
Supra Chem.	45	......
Vincent (H.)	44½	......
Watsham's	15	......
Wykes (Leic) 10p	28	......

NORTHERN EXCHANGE

Albany Inv. 20p	39	......
Ash Spinning	34	......
Belgrave M 20p	5	......
Bibby & Baron	35	......
Booth Cons. 10p	15	......
Brady (G)	92	......
Bramin (T & J.)	40	......
Bridge'r Est 50p	180	......
Brit. Nth'p 20p	45	......
Burnett & H.	40	......
Bury King 20p	65½	......
Clover Croft	27½	......
Cramer Ring £1	56	......
Dyson R.A. 'A'	40	......
Ellenroad	59	......
Eng. Nat. Inv. £1	48	......
Ern Ring	18	......
Gandy	32	......
Gardner (L.)	170	......
Gaunt (Rd.)	22½	......
Heaton Wml 5p	5	......
Higsons Brew.	116½	+1½
Hindson (R.) 20p	49	......
Holt (Joseph) £1	470	......
Ingham (G) 10p	105	......
I.O.M. Stm. £1	115	......
Kettoun Cem. £1	405	......
L'pool Grain £1	95	......
Man. Canal £1	248	......
Moat H. & Sur.	83	......
Nicholas Vim.	115	......
Nthn. Gldsmth	57 xd	......
P.M.A.	80	......
Peel Mills	11½	......
Sayer Conf 12½p	42½	......
Swan Ln Sp 12½p	18	......
Taver'r Est 25p	50	......
Tyzack (W) 10p	26½	......
Utd. Cttle P & H	310	......
Wood (Ed.)	4½	......
Worlds'r Hl 12½p	45	......
Yorks Spin 20p	15	......

SCOTTISH EXCHANGE

Atlas Pl'st'c 10p	11¼	......
Brunton (M.)	80	......
Clyde Paper	5½	......
Culross Ind.	20	......
Craig & Rose £1	182	......
Dalmuir White	54	......
Dykes	125	......
Galloway (J.)	6½	......
Hill & Wy'ies	28½	......
Leven (J.) 10p	25	......
Mackinnon	80	......
Morrison & G.	11¼	......
Richards 10p	17½	+2
Seoteros	44	−2
United Wire	60	......

NEW "HIGHS" AND "LOWS" FOR 1971

New "Highs" which were too numerous to name individually were attained by 168 securities and are listed below in their sub-sections. New "Lows" totalled 8.

NEW "HIGHS" (168)

CORPORATION LOANS (3)
COMMONWEALTH & AFRICAN LOANS (1)
FOREIGN BONDS (1)
AMERICANS (2)
CANADIANS (6)
BANKS (4)
BEERS (1)
BUILDINGS (17)
CHEMICALS (4)
CINEMAS (3)
DRAPERY & STORES (17)
ELECTRICALS (8)
ENGINEERING (25)
FOODS (6)
HOTELS (2)
INDUSTRIALS (46)
INSURANCE (5)
MACHINE TOOLS (1)
MOTORS (16)
NEWSPAPERS (6)
PAPER PRINTING (4)
PROPERTY (13)
SHOES (1)
TEXTILES (4)
TOBACCOS (5)
TRUSTS (33)
RUBBERS (1)
MINES (3)

NEW "LOWS" (8)

AMERICANS (1)
Gillette
INDUSTRIALS (2)
Kent (G.) — Toothill (R. W.)
TEAS (1)
Estates & Agency
MINES (4)
Great Boulder — Peko-Wallsend
Westmex — Beralt Tin

RISES AND FALLS YESTERDAY

	Up	Down	Same
British Funds	7	—	41
Corps., Dom. and Foreign Bonds	9	21	103
Industrials	457	251	1,000
Financial & Prop.	131	95	306
Oils	9	10	13
Plantations	7	21	60
Mines	53	17	110
Recent Issues	14	13	83
Totals	687	428	1,716

WARNING OF NEW WATER SHORTAGE

Teesside is expected to be short of water again by 1977, despite a new reservoir opened yesterday, the British Waterworks Association warned.

It was hoped that the district could get its extra water from the proposed Kielder reservoir, in the North Tyne Valley.

The Cow Green reservoir, opened yesterday will make an extra 35m. gallons a day available.

£12,391 GRANTS FOR RESEARCH

Two Science Research Council grants have been awarded to Mr. M. C. Bonney of the Department of Production Engineering and Production Management at Nottingham University. The grants are £3,000 for the development of the AUTOMAT Computer-Aided Work Measurement system and £9,391 for the development of the SAMMIE computer-aided ergonomic design package.

SHARE INFORMATION SERVICE: NOTES

The following notes relate to Share Information Service:—

F.T. SHARE INFORMATION SERVICE

BRITISH FUNDS

1971 High	Low	Stock	Closing Price £	+ or −	Gross Yield pc Int'rst £	Redemption £
		"Shorts" (Lives up to Five Years)				
99⅝	97	Gas 3½pc '69-51	99⅝	......	3.51	5.59
100	99	Exchequer 6¾pc 1971	100	......	6.74	5.89
100¼	98	Conv. 6pc 1972	100¼ xd	......	5.98	5.52
98	96⅛	Gas 4pc 69-72	98⅜ xd	......	4.06	5.61
100⅝	98	Exchequer 6¼pc 1972	100 xd	......	6.21	5.69
101	98	Exchequer 6¾pc 1973	101⅜	......	6.66	5.74
95	92⅜	Electric 3pc '68-73	95	......	3.13	5.61
95	92⅜	Transport 3pc '68-73	95	......	3.13	5.61
97	93⅞	Conv. 5¼pc 1974	97	......	5.39	6.26
101	96	Treasury 6¾pc 1974	101	......	6.66	6.30
90	84	Saving 3pc '65-75	90 xd	......	3.33	5.79
98	98	*Treas. 6% 1975* ●	98	+	6.09	6.49
98⅛	95	Exch. 6½pc 1976	98	+	6.60	6.86
		Five to Fifteen Years				
98¼	94½	Victory 4pc 1976	98¼	......	4.14	5.36
99½	97¼	Funding 4pc '60-90	98	......	4.12	5.13
100⅛	95½	Treasury 6½pc 1976	98¼ xd	......	6.59	6.81
88	80	Electric 3pc 1974-77	87⅞	......	3.45	5.76
88	81	Transport 4pc '72-77	87⅞	......	4.57	6.40
91¼	82⅜	Exchequer 5pc '76-78	90¼	+⅛	5.61	6.94
85½	76⅜	Electric 4½pc '74-79	85	......	6.08	6.90
80⅛	70½	Do. 3½pc '76-79	79½	......	4.44	6.86
78	69⅛	Treasury 3½pc '77-80	78¼	......	4.49	6.86
88⅜	76⅞	Funding 5¼pc '78-80	87¾	......	6.02	7.22
76⅜	67¾	Treasury 3½pc '79-81	76⅞ xd	+⅛	4.60	6.96
104	92⅜	Do. 8¼pc '80-82	102¼	......	8.33	8.16
83⅞	71	Funding 5½pc '82-84	83	......	6.63	7.65
		Over Fifteen Years				
101⅝	90¼	Treasury 8½pc '84-86	100½	......	8.48	8.47
85¾	76	Funding 6½pc '85-87	85½	......	7.73	8.53
56⅞	47⅝	Transport 3pc '78-88	56¼	+⅛	5.34	7.67
71	61¼	Treasury 5pc '86-89	69¾	......	7.31	8.42
75⅞	67⅛	Funding 5½pc '87-91	74½	......	7.90	8.64
75¾	66⅜	Funding 6pc 1993	74½	......	8.29	8.86
100¼	93⅞	Treasury 9pc 1994	99	......	9.24	9.27
49¼	41⅝	Gas 3pc '90-95	48½	......	6.27	7.89
101	95	Treas. 9pc '92-6	99	+	9.34	9.37

CANADIANS

1971 High	Low	Stock	Closing Price p	+ or −	Div. % or amount	Times covered	Gross Yield pc
440	310	Abitibi Paper	340	......	—	—	—
800	700	Bk. Montreal ($2)	782	+7	75c†	—	4.0
£16¾	£10½	Bk. Nova Scot. ($2)	£15¼	+⅛	78c†	—	2.4
£14¼	760	Bow Valley	£13⅝	+⅛	—	—	—
968	755	Brascan	968	+18	$1.0	—	4.5
367	285	B.P. Oil & Gas	367	+5	—	—	—
£13¾	943¾	Can. Imp. Bk. ($2)	£11⅞	+⅛	59c†	—	2.5
£35	£30	Can. Pacific ($25)	£32	+½	$3.25	—	4.2
125	83¾	4pcN. Cum. P. ($3)	108	......	4	—	4.6
£41¾	£37	4pc Deb. (£100)	£41¼	−¼	4	—	9.7
620	415	Cons. Bathurst	415	−5	●$1	—	10.0
20½	10	Cordwell Int.	12	......	—	—	—
£12½	£10	Gulf Oil Can.	£12½	+⅛	57½c	—	1.9
165	100	Hawker Sid. Can.	135	......	—	—	—
£20	£17¾	Hollinger ($5)	£20⅜	+⅜	$1.20	—	2.4
£10⅛	735	Hudson's Bay	£10	......	46c	—	2.8
£25	£18⅝	Hud. B. Oil G. ($2½)	£23½	+⅛	50c	—	0.9
995	765	Imasco	990	+15	80c	—	3.3
£15⅛	820	Imperial Oil	£13⅜	+⅛	52½c	—	1.6
655	528	Int. Nat. Gas $1	655	+10	50c	—	3.2
£22	£17	Int. Nickel	£17	+⅛	$1.40†	—	3.3
605	430	Massey Ferg.	535	+5	$1	—	†
£17¼	£13½	Pacific Petrol ($1)	£17¼	+¼	30c	—	0.7
90	63¾	Place Gas ($1)	71	+1	—	—	—
£11	760	Rio Algom	775	+8	40c	—	2.1
£13¾	£11	Royal Bk. Can. ($2)	£13⅝	+	86c†	—	2.6
145	95	Steep Rock ($1)	110	+10	15c	—	5.7
£13¼	945	Tor. Dom. Bk. ($2)	£12	+⅛	68c†	—	2.2
£17	£14¾	Trans. Can. Pipe $1	£16½	......	$1	—	2.5
£13½	£10⅝	Westcoast	£13	−⅛	50c	—	1.6
800	600	White Pass	610	......	25c	—	1.7

S.E. List Premium 24⅜% (based on $2.4623 per £)

BANKS AND HIRE PURCHASE†† Banks, etc.

[illegible]

Hire Purchase, etc.

[illegible]

BEERS, WINES AND SPIRITS

[illegible]

BUILDING INDUSTRY, TIMBER & ROADS

[illegible]

BUILDING INDUSTRY—Continued

[illegible]

DRAPERY AND STORES

[illegible]

CHEMICALS, PLASTICS, ETC.

[illegible]

CINEMAS, THEATRES AND TV

[illegible]

DRAPERY AND STORES—Continued

[illegible]

ELECTRICAL AND RADIO

[illegible]

ENGINEERING AND METAL

[illegible]

ENGINEERING AND METAL—Gen. Cont.

[illegible]

FOOD, GROCERIES, ETC.

[illegible]

HOTELS AND CATERERS

[illegible]

HOTELS AND CATERERS—Continued

[illegible]

INDUSTRIALS (Miscell.)

[illegible]

INTERNATIONAL BANK

[illegible]

CORPORATION LOANS

[illegible]

COMMONWEALTH AND AFRICAN LOANS

[illegible]

PUBLIC BOARD AND OTHER LOANS

[illegible]

Corporation Short-dated Bonds

[illegible]

FOREIGN BONDS & RAILS

[illegible]

London U.S. Dollar and DM Issues

[illegible]

AMERICANS

[illegible]

S.E. List Premium 24⅜% (based on $2.4180 per £)

"Recent Issues" and "Rights" Page 27

هكذا من الأصل

INDUSTRIAL (Miscell.)—Continued

1971 High	1971 Low	Stock	Closing Price p	+ or —	Div. % or Amount	Times covered	Gross Yield %	P/E Ratio
	45½	Ingledon Lamb.	55	......	15	1.4	6.9	10.5
	20	Ind.C.C'ms(10p	21	+1	6	ф	2.9	ф
	46	Initial Services	73xd	......	15	1.4	5.2	14.1
	28¾	Inter-City (20p)	28¾xd	......	a5	1.0	3.5	29.5
	108	IntComput'rs	120	+6	11	1.5	9.4	8.0
	110	Int. Time Rec.	115	......	17½	2.4	3.8	11.0
	25	James (John)	28½	+½	d11	0.9	9.7	11.4
	20	James (M.) (10p)	37	......	d20	3.3	5.4	5.6
	192	J'rdineM(HK$5	295	—2	15.9	2.2	2.3	20.1
	11	Jentique (5p)	18	......	t15	2.0	4.2	11.7
	72	Jeyes Group	95	+2	19½	1.4	5.1	14.5
	37½	Johnson Cln'rs.	53	+1	8	0.9	3.8	27.5
	212	JohnsonMthy £1	286	—1	12½	1.6	4.4	12.9
	52	Judge Int.	74	......	13	1.3	4.4	17.5
	155	Kalamazoo	181	+4	t33½	1.9	4.6	11.7
	53	Kangol 20p	90	+1	20	2.7	4.4	8.2
	48	Kelsey Ind.12½p	52	......	24½	2.4	5.9	6.9
	31½	Kennedy Sm 20p	45	......	M20	1.7	8.9	6.6
	75	Kent (Geo.) (50p)	94	—1	3	ф	15.9	ф
	210	Kleeman	270	+10	32½	2.0	3.1	16.2
	20	Kode Int.	88	......	—	—	—	—
	82	LRC Int. 10p	122	+½	b40	1.6	3.3	18.4
	77½	Lamson Inds.	98	+1	13½	1.5	3.4	18.7
	115¼	Lancaster Cpts.	240	+8	30	3.4	5.1	9.4
	35	Launderette 10p	36	—2	d24	2.0	6.7	7.5
	25	Leaver	31	......	t12	1.3	9.7	ф
	50	Lebaff Fobel 10p	59xc	......	bd18	1.5	3.1	22.0
	10	Lebus Harris £1	22	......	D—	—	—	—
	90	Leeds Assets	119	......	t25	2.2	5.2	9.9
	120	Lep Group (10p)	190	—2	t29	4.0	1.5	16.5
	31	Lesney Prods(5p)	36	......	—	—	—	—
	131¼	Lewis & Pear.	147	......	t20	2.0	3.5	14.3
	117½	Do. "A"	140	......	t20	2.0	3.6	13.9
	13¾	Lilien 10p	28	+½	d7½	3.4	2.7	10.9
	10	Lindsay Wms	17½	......	—	—	—	—
	32	Lindustries	49½	—½	t19	1.3	!	—
	22	Lines Bros.	29	......	B—	—	—	—
	93	Lipton (L.)	105	......	25	2.0	6.9	8.5

†† INSURANCE

1971 High	1971 Low	Stock	Closing Price p	+ or —	Div. % or Amount	Times covered	Gross Yield	P/E Ratio
462	357½	Bowring (C.T.)	462	+14	38	3.6	2.0	19.0
100	53¾	Brentnall B 10p	97½xd	......	b34	1.7	3.5	17.3
283	190	Britannic 5p	273	......	165	—	3.0	—
473	320	Comm. Union	462	—5	61	—	3.3	—
438	271¼	Eagle Star (50p)	424	—4	24	—	2.9	—
320	255	Economic	255	......	45	—	4.4	—
320	213	Equity & Law (5p)	242	+2	110	—	2.3	—
302	210	Excess	232	—5	35	—	3.8	—
91	62½	Fenchurch (10p)	86xd	—1	45	ф	5.2	ф
92	61¼	Do. "A" (10p)	84xd	—1	45	ф	5.4	ф
182	115	Gen. Accident	177	......	23	—	3.1	—
246	167	Guardian Royal	242	—1	32	—	3.3	—
132	85⅝	Hammond (L.)	122	—1	b20	1.5	4.1	16.8
217	111½	Heath (C.E.) 20p	208	+2	57	1.5	3.6	18.3
148	72¾	Howden (A.) (10p)	148	+5	42	1.6	2.8	21.9
347	237½	Legal & Gen. 5p	340	......	t183	—	2.7	—
420	237½	Leslie & Godwin	420	+8	45	1.8	2.7	19.7
153	113¼	Lon. & Man. (5p)	146	—2	93½	—	3.2	—
275	207½	Mercury (50p)	238	—2	17½	1.5	3.6	17.9
365	215¾	Minet Hldgs 20p	365	+20	b30	2.5	1.6	24.7
660	400	Orion £1	650	......	32½	—	3.5	—
282	226¼	Pearl 5p	268	—2	200	—	3.7	—
270	172½	Phoenix	266	......	34	—	5.2	—
295	190	Price Forbes	293	+3	433½	1.6	2.9	21.7
175	125	Provident 'A'	175	......	28	—	4.0	—
172	122½	Do. 'B'	172	......	28	—	4.0	—
180	143	Prudential (5p)	173	+3	c64	—	3.1	—
184	147	Refuge 'B' 5p	172	—2	135	—	3.9	—
66	30	Reinsurance	66	......	10	—	3.8	—
404	295	Royal	398	+5	52	—	3.2	—
236	138¾	Sedgwick C. 10p	240	+6	62	1.6	2.5	23.7
348	222½	Staplegreen	348	+6	60	1.5	3.6	18.6
84	50⅝	Stenhouse	78	......	t14	1.1	4.5	19.4
472	301	Sun Alliance £1	470	—1	16½	—	3.5	—
168	115	Sun Life 5p	164	......	t60	—	1.9	—
535	200	T'sh Mar'e EDR	495	......	11	—	1.3	—
425	325	Trade Indem. £1	425	......	30	—	7.1	—
335	270	Victory £1	310	......	22	—	7.2	—
226	127	Wigham Rich.	226	—6	●30	1.6	3.3	19.3

MACHINE TOOLS

MOTOR, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Aircraft

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING, ADVERTISING

PROPERTY

PROPERTY—Continued

SHIPBUILDERS, REPAIRERS

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

STEELS

TEXTILES—GENERAL

TEXTILES—WOOL

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

Finance, Land, etc.

UTILITIES

OILS

RUBBERS—MALAYSIAN

RUBBERS—MISCELLANEOUS

SISAL

TEAS

India and Pakistan

TEAS—Continued

Ceylon—

1971 High	1971 Low	Stock	Closing Price p	+ or —	Div. % or Amount	Times covered	Gross Yield %
55	54	Bogawantalawa £1	55	+1	10	1.0	18.2
7¼	4½	Central Prov.	7	......	5	1.9	10.6
150	101¼	Ceylon Plants (£1)	116xd	—2	20	ф	17.2
		Demodera	8	......	—	—	—
45	35	Dimbula Valley £1	58	+3	3	2.8	7.9
6	4½		5	......	4	1.3	13.3
		Gen. Ceylon (10p)					5.0
125	77½	Hapugha Ceylon £1	140	+5		—	2.9
46	32½	Lanka (£1)		......	5	1.2	11.4
50	37	Lunuva (£1)	50	......		1.3	6.0
26	21	Nuwara Eliya (£1)		......			9.6
35		Ouvah High £1	35			—	7.1
125	92½	Pelmadulla £1	117		21		17.9
11¼	9½	Rayawella Hdg.50p	10		B—	—	—
15¼	9¼	Rosehaugh	11	+½	5	0.4	12.4
4⅝	4	Scot. Ceylon	4	......	—	—	—
21¼		Scot. Tea & L'ds £1	16	—1			13.5
50	56	Standard £1	50	......	5		10.6
	4	Tea Corporation	4	......	—	—	—

MINES—CENTRAL RAND

1971 High	1971 Low	Stock	Price	+ or —	Div.	Times covered	Yield
95	70	Durban Deep (R1)	83	......		2.0	
110	66	East Rand Prp. (R1)	77	+1		9.4	
27	21	Luipaards Vl.	23	......			5.1
11¼		Rand Leases	11	......	—	—	—
90	68¼	Randf'nt'n Est. (R2)	76	......		1.5	
58¼	45	Robinson Deep	50	......		1.2	
	30	Simmer		......	—	—	—
40	33	West Rand (R1)	35	......			17.7

EASTERN RAND

FAR WEST RAND

O.F.S.

FINANCE

DIAMOND

PLATINUM

CENTRAL AFRICAN

AUSTRALIANS

TIN—EASTERN

TIN—NIGERIAN

TIN—MISCELLANEOUS

COPPER

MISCELLANEOUS

1971 High	1971 Low	Stock	Price	+ or —	Div.	Times covered	Yield
7⅞	5	Burma Mine (17½p)	6	......	—	—	—
26	17½	Cent. Prov Mn(12½)	21	......	ta10	ф	10.1
31	15	Charterhall (5p)	17	......	—	—	—
612½	375	Cons. Murch(10c)	425	......	80	2.1	
479	475½	O. F. Mg. Ind. Db.	479	......	7½	58.0	10.4
	405	Northgate (C$1)	460	—5	50	2.2	4.5
	210	R.T.Z.	244	+7	24	1.8	2.5
	295⅝	Sabina Mines (C$1)	260	......	—	—	—

For Notes, see Stock Exchange Dealings.

Registered at the G.P.O. Printed by St. Clements Press Ltd. for and published by The Financial Times Ltd., Bracken House, Cannon Street, London, E.C.4.

THE LEX COLUMN

Index rose 1.3 to 405.7

Thorn's caution strictly relative

Thorn's second half slowdown is nothing to speak of with an 18 per cent. gain to £22.1m. pre-tax leaving the year ahead by just under a fifth at £37.2m. In fact, this is a strong performance, given the buoyant conditions in second half 1969-70 and the recent slowdown at Metal Industries in line with the engineering cycle; and it is fairly easy to pick out one area of major acceleration—colour TV—from the depreciation charge, incorporating first and second half rises of 20 and 37 per cent. respectively.

This probably meant little in rental profit terms, given Thorn's heavy front-end loading from installation costs and graduated depreciation. The rental side will probably make more of an impact on profits growth in the current year; but it is still set manufacturing, and the prospects in consumer durables generally, that puts Thorn on a p/e of 22.2 at 382p, up another 2p yesterday, on earnings up from 13.9p to 17.1p.

Thus Thorn's cautious remarks about inflation will probably be taken with a pinch of salt; but there is an obvious threat to the share price in the liquidity position. Advance rental charges could be close to £20m. in the report against £14.7m. at end-March, 1970. In theory, then, the drop from 40 weeks to three months in advance rentals could wipe out £13m. of customer finance, but Thorn reckons that the liquidity squeeze from this quarter will be neither as immediate, nor as heavy as the arbitrary sums suggest—just as well, perhaps, since excluding this item, analytical estimates were going for a net cash outflow of over £25m. in the two years 1970-72. But there is, apparently, no pressing need to fund within the next 12 months; and it is worth remembering that Thorn's last funding operation was a £10.66m. cheap convertible designed for underwriters rather than the average shareholder.

See also page 21

Tate & Lyle

Tate and Lyle's forecast for the year to September—profits up from £9.16m. to £11.11m. pre-tax including a £1m. odd surplus on fleet sales—is well below best expectations, and there are two explanations. First, Argentina has a prospective loss of over £2m. following "trading misjudgments," devaluation and stock losses on sunflower seeds. Next, U.K. refining, after a £1.2m. improvement in the first six months, is expected to slip back by £455,000 in the current half. Granted there were some once-off export deals a year ago but it still looks as though the impact of new refining margins, fully effective from April, has been overestimated.

For 1971-72, however, there is quite enough to keep refining profits on an uptrend, and the engineering improvement should be worth £1m. plus. Then there is recovery from the sharply curtailed Argentine operation, geared up at the earnings level since the forecast makes no assumptions about tax recovery.

Yet a turnround in raw sugar production is going to be worth £2.2m. to 1970-71 trading profits, and South Africa and Zambia account for three-quarters of that. Next year, South African profits will be lower, control in Zambia has passed over to the Government, and there is still no time-scale on loss elimination elsewhere. After a target earnings rise of 2.1p to 10.6p per share (around 9.2p excluding the ship sales) a 1970-71 p/e of 14½ at 153p does not look especially appealing.

See also page 22

Powell Duffryn

Tidying up the mess at Hy-Mac has proved a very expensive operation for Powell Duffryn. On top of management problems and stock write-offs the group has had to contend with a slump in the construction equipment industry, producing a total loss before interest of £1.46m. at £97m. will be badly affected. At Hy-Mac against £0.32m. in 1969-70. Thus the £1.28m. improvement in the rest of the group was more than wiped out, and though the second half was marginally better at the pre-tax level, the year as a whole shows £3.84m. against £3.88m.

On the face of it PD ought not to find it very hard to move ahead this time; although it is too soon to say whether Hy-Mac will make a quick return to the black (the first quarter of the year has been quiet) the 1970-71 deficit must have been on a wholly exceptional scale. There are a few problems elsewhere, as in shipping where last year's favourable conditions will not be repeated. But overall, the group's diversified interests should hold up fairly well, particularly as the economy begins to respond to the reflationary push.

Yet after the 1968-69 false dawn PD still has to prove its ability to move out of the profits rut in which it has been stuck for six years; in the circumstances the market's unenthusiastic approach—the p/e is 14.7 at 125p—is sensible. However, the two recent sale and leaseback deals, worth £7m. in cash between them, leave the group in a strong position to expand its operations. And if this cash is fed into growth areas, like Hamworthy Engineering, the influence of the group's stodgier activities should be correspondingly reduced.

See also page 21

George Kent

The theory that Rank—with about 18 per cent. of the equity—is just about to pounce on George Kent took a bit of a knock earlier this week with the disclosure of serious losses at Rank Precision Industries. Now the Kent results, showing £1.08m. pre-tax against £2.06m., before taking account of exceptional costs amounting to nearly £800,000, tend to suggest that Kent is one problem that Rank can do without, at least for the moment. It is true that after a drastic slimming operation—shedding over 10 per cent. of its U.K. work force—Kent is forecasting recovery, with, for instance, a new half-price electron microscope doing well in a reviving U.S. market. But we have heard this kind of optimism before, and since even £3m. pre-tax would only give a p/e as high as 17 at 94p it could be wise to await more tangible evidence of better times.

See also page 22

Lombard

Size of a market—fact and fantasy

BY C. GORDON TETHER

ONE of the biggest difficulties the pro-Market crusade experiences in making its gospels sound convincing is that all too often its efforts to play down the disadvantages of entry provide just the ammunition the opposition needs to help shoot down the arguments for going in. And nowhere is this more true than when it endeavours to show that there is nothing less inward-looking than the EEC and thereby reinforces the anti-Market contention that the resulting enlargement of our market will be of too little real significance to warrant our paying such a high price for it.

It is a fundamental part of the Government's case for taking Britain into the EEC that, unless we assure ourselves of a very much larger market by joining up with some other grouping, we are doomed to a continuance of the economic decline we have experienced in relation to other countries.

"Exclusion"

The more emotionally involved supporters of its cause are even wont to speak darkly of a decision not to go in as condemning us to an "exclusion from the EEC" that would have dire consequences for our trade because, having nowhere else to turn, we would be left to drift alone and friendless for all eternity in a kind of international economic wilderness.

But would it really be as bad as that? And how do you square the picture of a country facing enforced isolation with Whitehall's long-standing theme that the whole world is the British exporter's "oyster"—the widespread progressive dismantling of tariffs, quota restrictions and exchange controls having effectively given him an almost universal market?

As to the first point, the Government's efforts to demonstrate just how outward-looking the EEC is, clearly show that, far from being excluded from this market, Britain and other countries are doing so well in it that they can already look upon it as very much a part of their own. The White Paper drew attention to the dramatic increase in British exports to the Community in recent years. And in his speech to the American Bar conference this week Mr. Heath pointed out that U.S. sales there had trebled within 12 years.

Real issue

The real issue before us, therefore, is whether the elimination of the relatively modest tariffs and non-tariff barriers that still impede traffic between Britain and the EEC would provide a sufficient further enlargement of the growing market we already possess there to warrant paying the price—the substantial entrance fee and the increased difficulty of marketing our goods in other parts of the world.

And in this connection it is pertinent to point out that the rise in the prices of British exports during the past 12 months alone has, on average, increased their cost to EEC buyers in greater degree than the complete elimination at one stroke of present tariffs would reduce it.

As to the apparent conflict between earlier talk of the world being wide open to the British exporter and current efforts to show that we must find a larger market base as the only answer to our growth problem, one thing is clear. It is that the liberalisation of British trade achieved by moving into the EEC would be very small beer indeed by comparison with that which has resulted during the past ten to 20 years from the extensive dismantling of tariffs, quota restrictions, exchange controls and other non-tariff barriers that has been taking place on a world-wide scale.

Incompetence

Which is, of course, another way of saying that, if we are going to rely on entry into the EEC to eliminate the problems that have resulted in our falling further and further behind in the economic advancement race, we are in for another unpleasant surprise.

The world abounds with examples of countries that have experienced growth of, or exceeding, EEC proportions on markets that are far smaller—in White Paper terms—than Britain's present one.

Sweden, Switzerland, Finland, Australia, Hong Kong to name but a few. The implication is that the main cause of our poor performance has been economic management incompetence that has little, if anything, to do with the size—in White Paper terms—of our market. And if the EEC debate is to proceed on realistic lines, this will have to be recognised.

Sudan counter-revolution as Libya skyjacks coup leaders

BY RICHARD JOHNS, MIDDLE EAST CORRESPONDENT

A COUNTER-revolution in Sudan last night gave a new dimension to Britain's angry diplomatic confrontation with the Libyan Government which yesterday forced down a BOAC VC-10 to take possession of two leaders of this week's Khartoum coup.

General Jafaar el Nimairi, who was removed from power by extreme Left-wing elements of the army on Monday, said on Radio Omdurman last night that "the revolution of May 5 will carry on"—a reference to his seizure of power in 1969.

He denounced the coup that removed him from power four days ago as a "mean plot" and called on the Army to hunt down Communists.

In the afternoon, the headquarters of the Revolutionary Command Council had come under heavy shelling from tanks, armoured cars and heavy machine guns, according to reports from Khartoum.

If Nimairi secures his position—as seemed likely last night—he will certainly want the extradition from Libya of Colonel Babakir el Nour, named on Tuesday as chairman of a new Revolutionary Command Council (Sudan's highest political authority), and Major Farouq Hamadallah, who was named as a member of the same body. The two men—both of them close to the Communist Party—were returning home to Khartoum on the flight from London to take up the reigns of power.

In the Commons yesterday, Mr. Joseph Godber, Minister of State at the Foreign and Commonwealth Office, declared that the Libyan action was "in complete violation of international civil aviation practice." The British Government took "a most serious view" of the Tripoli Government's forcing down the aircraft. Britain has demanded the immediate release of Colonel el Nour and Major Hamadallah.

Earlier, Mr. Godber summoned Mr. Lakhdar Barbini, the Libyan Ambassador in London, and "protested in the strongest possible terms at an action which we condemned as inexcusable."

In Whitehall, the interference with the VC-10's flight to Khartoum was seen as a clear violation of the Anglo-Libyan civil aviation agreement which was initialled recently.

Lt.-Col. Babakir El Nour at Heathrow.

This is understood to have no stated provision for forcing an aircraft to land. On the contrary, it explicitly asserts the overflying rights of British carriers.

As the agreement was awaiting signature, it has no juridical base yet. But, as far as the British Government is concerned there was a "gentleman's agreement" that its provisions would be in force from the time of initialling.

Shortly after entering Libyan airspace, Capt. Roy Bowyer, the pilot of the VC-10, was ordered to land at Benghazi by ground control, according to his own account. He then changed course, with a 180-degree turn, towards Malta, and requested permission to land there but was told by the controllers on the island that he was still in Libyan airspace and should obey Libyan instructions—an account which was later confirmed by an official in Valletta.

Libya yesterday denied that the VC-10 had been forced to land. The official Libyan News Agency quoted an official as saying: "The Libyan civil aviation authorities had informed the airliner that the Khartoum airport was closed and that it could land at Benina airport."

This suggested that the militant regime in Tripoli led by Col. Muammer Khedaffi was back-tracking. But no mention was made of Col. el Nour and Major Hamadallah.

It is inevitable that delicate negotiations between Britain and Libya over outstanding financial issues, involving a total claim by Tripoli on the U.K. of £97m., will be badly affected. Mr. Godber referred yesterday to the Libyan arms purchasing mission in London.

Britain had proposed that Libya, as part of an overall settlement, might make purchases worth £9m., the down payment made by ex-King Idris for arms, in April, 1969, before Col. Khedaffi's revolution.

Before there had been any deliveries, the deal was frozen, following Libya's cancellation of the contract with the British Aircraft Corporation for an aerial defence system.

Libya's immediate objective in detaining the two Sudanese leaders may have been to bargain them against the freedom of Nimairi who was in prison in Khartoum. It would also be in character for Col. Khedaffi, an impetuous leader and a fanatically anti-Marxist, to attempt to strike at the new Sudanese leadership with its very obvious Communist leanings.

In Cairo Egyptian officials were reported to be incredulous and astonished when first reports of the Libyan operation came through. It seemed as if Khedaffi had once again placed his Egyptian allies in an embarrassing situation.

Vauxhall £8.29m pre-tax profit

BY JAMES ENSOR

MR. ALEX RHEA, Vauxhall's managing director, reports an encouraging outcome of its first few months in office. Thanks to a much-improved labour relations climate, Vauxhall vehicle output rose 25 per cent. in the first six months to reach 182,840 units.

Profits recovered with output, turning a £1.09m. loss into a pre-tax profit of £8.29m. After interest and tax, the profit was £6.01m., compared with a loss of £3.28m. last year.

Commercial vehicle sales were a record at 71,210, despite the down-turn in the British market this year. While Ford exports fell after its strike, Bedford has Libya, accounting for half of the British truck exports.

The 34,642 commercial vehicles shipped overseas in the first half of the year set a new record and total export sales rose by 15 per cent. to 68,600.

Mr. Rhea said the rate of profit improvement shown in the first half was not likely to be repeated in the second because of the seasonal decline in sales and the works holidays.

Other companies, too, have benefited from the industrial peace of 1971. Rover sales reached a record of 53,000 in the six months, 25 per cent. better than last year. Home car sales increased by 43 per cent. to 18,322 and Land Rover exports set a new high at 24,515.

Chrysler U.K., helped by the success of the Avenger in export markets, has achieved production records of 6,700 a week; almost 50 per cent. better than in the same period of 1970.

The company produced 140,000 cars in the year to May, of which more than half were exported. Its position in the U.K. has stabilised at an 11 per cent. share, just behind Vauxhall, although its total car output is greater because of higher exports.

British Leyland has also had a good production run, averaging 18,774 cars a week, more than 20 per cent. higher than in 1970.

Its market share has been strong, particularly during the Ford strike, averaging 41.33 per cent. in the first six months. In June, with Ford recovering to a 19 per cent. share, Leyland fell back to 38.7 per cent.

Ford recovery

Some 500,000 British and 119,000 foreign cars were sold on the British market in the first half of 1971. June itself was a relatively disappointing month, with only 100,632 cars, 20.5 per cent. of them foreign, registered. Ford's recovery was at the expense of all other makes, including some imports which fell back from their high May sales.

Chrysler France emerged as a major importer this year, selling mainly through Chrysler U.K. outlets. Sales were 11,000 cars, three times as many as last year. It is catching up with Fiat, at 15,700, while Renault, selling 22,400 and Volkswagen at 25,000, increased sales by a more modest 50 per cent. and 25 per cent. respectively.

Audi-NSU, now selling under one banner as part of the Tilling group, also achieved a significant gain to reach 6,500 cars as the sixth importer just behind Volvo.

Commercial vehicle sales in June, at 22,678, were 200 units lower than in June, 1970, a pattern which has been shown throughout the year to date with goods vehicle sales down from 137,800 to 128,000. Ford's market share of 31.4 per cent. of goods vehicle sales in June seemed largely to have recovered from the strike.

Boomtime at last, Page 18

Weather

U.K. TODAY

All areas, except N. Sc. Rather cloudy and close, breaks of thundery rain, thunderstorms expected, sunny spells as well.

N. Scotland: Mostly ... with rain at times. brighter spells. Rather c... E., warm in W.

London area, E. Anglia, N.E. England, Midlands. Dull early, showers, thunderstorms, bright ... Wind S. light. Warm. ... (75F).

S.E., Cen. S., S.W. ... Channel Isles, S. W... Dull early. Mainly cloud... breaks of thundery rain... and coast fog. Wind S.W. or moderate. Warm. ... (72F).

N. Wales, N.W. England, ... Man, S.W. Scotland, N. I... Cloudy. Showers or ... of thundery rain ... thunderstorms. Hill fog. S.E. light. Warm. M... (72F).

N.E. England, E. Scotland Cloudy. Outbreaks of the... rain. Coast fog. Wind ... Rather cool. Max. 17C (6...

Rest of Scotland except ... Mostly cloudy. Outbr... rain. Hill fog. Wind E. Warm. Max. 19C (66F).

N. Scotland ...

Cloudy. Rain at ... Brighter spells. Wind E. or moderate. Rather cool. 13C (55F).

Outlook: Unsettled with breaks of thundery rain in places but also bright pe... Temps. near or a little ... normal.

BUSINESS CENTRES

		Y'day Mid-day °C	°F		
Amstrdm.	F	20	68	Melbourne	C
Bahrain	Du	36	97	Mexico C.	C
Beirut	F	29	84	Milan	S
Belfast	R	14	57	Montreal	S
Belgrade	F	23	73	Moscow	C
Berlin	C	19	66	Munich	F
Birmghm.	C	20	68	Newcastle	R
Bristol	R	19	66	New York	S
Brussels	F	26	79	Oslo	F
Budapest	F	22	72	Paris	F
B. Aires	S	13	55	Prague	F
Cairo	C	34	93	Reykjavik	C
Cardiff	C	17	63	Rio de J'o	S
Copnhagn.	F	17	63	Rome	S
Dublin	C	17	63	Singapore	S
Edinb'rgh	R	11	52	Stockholm	S
Frankfurt	F	24	75	Strasbourg	F
Geneva	S	22	72	Sydney	C
Glasgow	R	11	52	Tehran	S
Helsinki	F	20	68	Tel Aviv	F
H. Kong	T	27	81	Tokyo	C
Jo'burg	S	18	64	Toronto	C
Lisbon	C	22	72	Tunis	S
London	F	22	72	Vienna	S
Luxembrg.	F	23	73	Warsaw	F
Madrid	S	29	84	Zurich	F
Manchstr.	C	21	70		

HOLIDAY RESORTS

		Y'day Mid-day °C	°F		
Ajaccio	S	27	81	Istanbul	F
Alxndria.	F	29	84	Jersey	C
Algiers	S	29	84	Locarno	F
Athens	C	25	77	Luxor	S
Barcelona	S	26	79	Majorca	S
Biarritz	F	24	75	Malaga	S
Blackpool	C	20	68	Malta	S
Bordeaux	F	24	75	Nairobi	S
Boulogne	F	18	64	Naples	F
Casablnca.	S	25	77	Nassau	S
Cape Tn.	S	17	63	Nice	S
Corfu	S	29	82	Nicosia	S
Dubrovnik	S	25	77	Oporto	C
Faro	S	25	77	Salzburg	F
Florence	F	26	79	St. Moritz	C
Funchal	S	21	70	Tangier	S
Gibraltar	S	31	88	Tenerife	S
Guernsey	C	16	61	Tunis	S
Innsbruck	C	23	73	Valencia	S
Inverness	C	14	57	Venice	F
I. of Man	C	16	61		

S—Sunny. R—Rain. F—Fair. C—... St—Stormy. Du—Dusty. T—Typh...

Pollen count: 12 (low). Forecast ... Asthma Research Council

CBI confident on prices curb

BY HAROLD BOLTER, INDUSTRIAL CORRESPONDENT

SIR JOHN PARTRIDGE, president of the Confederation of British Industry, is confident that the CBI will win the support of leaders of 200 of the U.K.'s largest companies for its policy of voluntary prices restraint.

Speaking yesterday, on the eve of to-day's important meeting with 150 top industrialists, Sir John said that the significant shot in the arm given to the economy by the Chancellor "seems to me to provide good and sufficient grounds to enable the CBI to obtain the undertakings on price restraint which it has offered to obtain."

The CBI is trying to persuade the 150 businessmen who will take part in to-day's talks, and another 50 who have already been seen, to sign an undertaking that, in general, they will keep their price rises down to 5 per cent. or less till next July.

Sir John was more cautious on the likely response to the CBI's initiative which can be expected from the trade unions.

"The responsible leadership of the trade unions want to see industry thriving and unemployment reduced. So does the CBI," he said.

"It wants to see real wages increase and living standards improve. So does the CBI. But none of these things will happen so long as immoderate pay claims and settlements lead to immoderate price increases, and vice versa.

"This is where we have been. We have to get on to a different road. My hope is that the CBI's initiative will help to find that road—but I have to say that we shall only find it if the trade unions see it as a sincere attempt to break into the inflationary situation and are ready to respond with a parallel effort on their part."

Sir John emphasised that the CBI's plan was not put up to it by the Government and that the decision to adopt it—against a background, over wide areas of industry, of insufficient profits—was a hard decision.

"We were led to it by the conviction that it is in the longer-term interests of industry and of all who work in industry, as well as in the interests of the public as a whole, that some way should be found to arrest this senseless leapfrogging of pay and prices," Sir John said.

This leapfrogging process, if it continued at its present pace, could only end in national impoverishment, deepening recession, and worsening unemployment, he maintained.

Earlier in his address at the annual lunch of the Incorporated Society of British Advertisers, Sir John denied the suggestion made by a Labour anti-Marketeer earlier this week that there was any question of Britain being taken into the Common Market purely "for the sake of the CBI."

This observation needed to be refuted because of its underlying inference that the CBI's only concern was with the CBI and big business, Sir John said.

"The truth is very different," he said. "It is that the great majority of industrial undertakings in this country, in both the private and the public sector, have formed the considered judgment that membership of the European Community will be for the good of British industry as a whole—which means for the good of those who work in industry as well as those who invest in it and those who are supplied by it," he said.

Eastern tin share forgeries discovered

BY SANDY McLACHLAN

WHAT MAY turn out to be a major fraud case involving forged share certificates is gradually coming to light in the City. The companies involved are all Eastern tin companies.

So far three companies have discovered forged certificates coming from Eastern markets, and have informed the Stock Exchange, the Fraud Squad, and in one case at least, Interpol.

The first company to spot the forgeries was Idris Hydraulic Tin. Its registrars received 31 share certificates totalling 100,000 shares from Eastern brokers, with the request that these should be split into 100 certificates of 1,000 shares.

All the certificates were in the name of Low Yoke Keng, and they contained irregularities which might pass cursory inspection in Singapore and Malaysia (which is believed to be the source) but which were quickly spotted by Grooved Securities, the company's registrars.

The seal on the certificates differed in certain respects from the genuine article, and there was no printer's name on the forged certificates. On some certificates an endorsement on the back contained a word which was misspelt, and the dates on the securities did not coincide with the dates of Board meetings over the last five or six years at which certificates were signed.

The cash sum involved in 100,000 Idris shares is in the region of £35,000, and yesterday Sungei Besi Mines discovered apparent forgeries in respect of 77,000 shares which represents a similar sum. A third company, Southern Malayan Tin Dredging, has now added its name to the list, and it is feared that others may follow.

Continued from Page 1

Jenkins joins bid to halt Labour row

conference, even before he had delivered the speech."

The six pro-Marketeers agreed with Mr. Wilson that from now on the main concern of the party must be to conduct the Common Market debate with tolerance for each other's views and without making personal attacks. Mr. Wilson told them that he was not accusing any of them of having made abusive remarks about him, and that as far as he was concerned that incident was over and done with.

Mr. Wilson now hopes that the campaign of the more militant Left Wingers for the immediate resignation of Mr. Roy Jenkins as Deputy Leader, and of Mr. Jenkins' more vociferous supporters from their Front Bench posts, will now gradually subside. He totally disagrees with the view that anyone should resign.

His firm attitude is that any Labour politicians who feel they cannot accept next Wednesday's decision by the National Executive on the Government's terms for entry into the EEC, must be free to express their disagreement in public throughout the summer, as long as they do not make personal attacks on other Labour politicians.

The question of members of the executive or the "shadow" Cabinet being bound by party policy, he believes, should not arise until the Parliamentary Labour Party takes its final decision on the terms in October, after the annual party conference.

Mr. Jenkins is understood to take the view that he will not have to consider his position as Deputy Leader until October, when the decision is taken on whether there will be an Opposition three-line whip in the Commons against the entry terms.

If there is one—and he still hopes there may be a free vote—then he would have to weigh carefully whether before voting against the whip he must resign. One possibility is that he might resign and then stand again in the annual election for the Deputy Leadership in November.

But at the moment there is still pressure among the anti-Marketeers for his immediate resignation. A hard-hitting editorial in Mr. Richard Crossman's New Statesman, written at the height of the Labour row earlier this week, says he should quit at next Wednesday's meeting of the National Executive, "when the decision to oppose entry is taken."

The article says that at last Monday's party meeting "Mr. Jenkins electrified his cronies and appalled the rest of his colleagues by shattering the unity which Mr. Wilson had for months been laboriously trying to build up." The speech "ridiculed his Leader's objections to entry, impugned his veracity and undermined his sagging credibility."

Afterwards, says the New Statesman, Mr. Jenkins began to realise the damage he had caused. "Apparently he now claims, in confidence, that he misjudged the situation. What was intended as a reasonable and moderate defence of his own position was transformed by his inner tension, and by the pressures of his closest advisers, into a disloyal and dishonourable attack upon his own leader. This, we are now assured, is not what he intended."

Yesterday's Tribune says that its managing director, Mr. Michael Foot, who is a member of the "shadow" Cabinet, will stand against Mr. Jenkins as Deputy Leader in the autumn. It says that he is expected to explain why he is standing when he speaks at an anti-Common Market rally at Central Hall, Westminster, to-night. The newspaper suggests that Mr. James Callaghan and possibly Mr. Anthony Crosland will also let their names go forward for the post.

One group of anti-Market MPs, not Left Wingers, wants Mr. Anthony Wedgwood Benn to run for the Deputy Leadership.

Mr. Roy Mason, a former Labour Cabinet Minister, and now a leading pro-Marketeer in the trade union group of Labour MPs, is planning to ask some senior "pros" and "antis" to found a Keep Calm Group in the party. He believes that once Parliament goes into recess in a fortnight's time Labour's immediate troubles will die down. "But meanwhile there is a need for respected figures in both camps to work together to cool things down and keep the party steady," he said.

هكذا من الأصل